

<b>MINISTER AYRES</b> <b>INDUSTRY &amp; INNOVATION – QTBS – SPRING SITTING 2025</b>			
<b>TAB</b>	<b>PDMS REF</b>	<b>TITLE</b>	<b>RESPONSIBLE AREA</b>
1.	QB25-000134	Manufacturing Data	Analysis and Insights
2.	QB25-000102	Aluminium smelters in Australia	Industry and Manufacturing
3.	QB25-000101	Glencore Mt Isa copper smelter	Industry and Manufacturing
4.	QB25-000099	Liberty Bell Bay	Industry and Manufacturing
5.	QB25-000100	Nyrstar Port Pirie & Hobart	Industry and Manufacturing
6.	QB25-000089	Whyalla	Whyalla Steelworks Taskforce
7.	QB25-000084	National Reconstruction Fund	Sovereign Capability and Supply Chains
8.	QB25-000073	Industry Growth Program	AusIndustry
9.	QB25-000075	Research & Development	Commercialisation
10.	QB25-000136	Future Made in Australia	Sovereign Capability and Supply Chains
11.	QB25-000077	Energy and Manufacturing	Industry and Manufacturing
12.	QB25-000078	Green Metals	Industry and Manufacturing
13.	QB25-000079	Seafood CoOL	Industry and Manufacturing
14.	QB25-000076	Anti-dumping	Industry and Manufacturing
15.	QB25-000085	Supply Chain Issues	Sovereign Capability and Supply Chains
16.	QB25-000083	Batteries	Sovereign Capability and Supply Chains
17.	QB25-000086	2025-26 Budget and election commitments – Industry, Innovation and Science	Strategic Policy
18.	QB25-000087	Portfolio contribution to productivity & economic resilience	Strategic Policy
19.	QB25-000088	Artificial Intelligence	Technology and Digital
20.	QB25-000082	PsiQuantum	Science
21.	QB25-000074	Space Industry	Australian Space Agency
22.	QB25-000080	ANSTO	Science
23.	QB25-000081	CSIRO	Science
24.	QB25-000090	Net Zero Economy Authority	Net Zero Economy Authority (NZEa)

**QB25-000134**

## MANUFACTURING DATA

- This data provides key performance metrics and characteristics of manufacturing in Australia.

Contact: s22

Cleared by: Crystal Ossolinski, General Manager, s22

# Manufacturing Factsheet – As at 3 July 2025 FOI 200205 - Document 1

## Labour Account employment: 918,800 employed in March 2025, ↓5,800 from December 2024.

- 6.2% of total employment, the 8<sup>th</sup> largest employer
- The Labour Accounts is a comprehensive measure of employment drawing on the Labour Force Survey and unpublished Quarterly Business Indicator Survey, as well as other ABS surveys.

## Labour Force Survey employment – 866,600 employed in May 2025, ↓18,200 from February 2025

- Largest decrease in employment over 12 months was in Primary Metal and Metal Product Manufacturing (↓12,000).
- Largest increase in employment over 12 months was in Food Product Manufacturing (↑6,200).

## 83.1% of manufacturing employees are employed on a full-time basis

### Type of Employment

- **83.1%** Full Time
- **16.9%** Part Time

### Form of Employment

- **88.6%** Employees
- **4.1%** Independent Contractors
- **7.2%** Other Business Operators

## Manufacturing Output – \$150.3b in GVA in the 12 months to March 2025 (seasonally adjusted)

- 5.5% of GDP in the 12 months to March 2025.
- In real terms, ↓ by 0.7% over the March 2025 quarter, ↓ by 2.6% compared with March 2024.

## Input costs – ↑ 3.9% over the quarter and ↑ 8.2% over the last 12 months

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• Contributors to the quarterly increase were:               <ol style="list-style-type: none"> <li>1. Metal ore mining (+8.5%)</li> <li>2. Agriculture to manufacturing (+4.5%)</li> <li>3. Oil and gas extraction to manufacturing (+3.4%)</li> </ol> </li> </ul> | <ul style="list-style-type: none"> <li>• There were no significant negative price movements offsetting price rises for the quarter.</li> </ul> |
|--|--|

## Export Value - Australia exported \$181.7b of manufactured products in the 12 months to May 2025

- 35.4% of total goods exports over the 12 months to May 2025.
- Between April 2025 and May 2025, ↑ \$0.6b (4.1%) - from \$15.6b to \$16.2b.
- With the average annual growth being 8.2% in the five years to May 2025.

## Import prices ↑ 4.4 index points, export prices ↑ 8.7 index points from December 2024 to March 2025

- Since March 2015, import prices ↑ 30.3 index points (+27.9%) for Australian Manufactures.
- Since March 2015, export prices ↑ 80.1 index points (+74%) for Australian Manufactures.

## Performance of Manufacturing Industry Index (PMI) -29.3, ↓ 5.5 points in June 2025

- The Ai Group Australian PMI® was -29.3 in June 2025, decreasing 5.5 points from the May 2025 reference period. A positive reading indicates manufacturing activity expansion; negative indicates contraction.
- Surveyed data indicates that the reduction in PMI was driven by a delay in major projects and market hesitation caused by both global and local uncertainty.

## Earnings – \$1740.70 in average weekly earnings, \$229.80 higher than all industry average (\$1510.90)

- ↑ by 4.3% from the previous release (May 2024).
- ↑ by an annual average of 3.3% over the last 10 years.

## Business Counts – There were 90,500 manufacturing businesses in Australia as at June 2024

- Between June 2019 to June 2024, ↑7,300 – from 83,200 to 90,500 total businesses.
- The growth was mainly concentrated in 2020-21 and 2021-22, but has since slowed due to steady new entries and rising exits.

State-level Labour Force Survey employment & Manufacturing Output					
State/Territory	Employed total	Share of total Manufacturing employment	Manufacturing GVA 2023-24, \$m	Share of total Manufacturing GVA	Share of Gross State Product
New South Wales	246,200	28%	46,095	31%	6%
Victoria	274,600	31%	39,247	27%	6%
Queensland	173,900	20%	28,972	20%	6%
Western Australia	82,400	9%	8,443	6%	6%
South Australia	70,800	8%	20,417	14%	4%
Tasmania	18,800	2%	2,093	1%	5%
Northern Territory	3,300	0.4%	795	1%	2%
Australian Capital Territory	4,700	1%	717	0%	1%
State-level Business Counts					
State/Territory	Business counts total (Share of total Manufacturing)		Greater capital region (Share of state total)		Rest of state
New South Wales	28,800 (32%)		19,100 (67%)		9,600
Victoria	23,400 (26%)		17,600 (75%)		5,800
Queensland	18,400 (20%)		8,200 (45%)		10,200
South Australia	6,700 (7%)		5,000 (75%)		1,700
Western Australia	9,900 (11%)		7,900 (79%)		2,000
Tasmania	1,900 (2%)		800 (41%)		1,100
Northern Territory	500 (1%)		400 (79%)		100
Australian Capital Territory	700 (1%)		700 (100%)		-
Other/Unknown	200 (0.2%)		200 (100%)		-
Australia	90,500 (100%)		59,700 (66%)		30,600
Subsector Labour Force Survey Employment					
Manufacturing Subsector			Employed Persons	Percentage of women in workforce	
Food Product Manufacturing			202,100	45%	
Machinery and Equipment Manufacturing			121,600	22%	
Furniture and Other Manufacturing			83,100	23%	
Fabricated Metal Product Manufacturing			76,300	13%	
Transport Equipment Manufacturing			69,500	18%	
Primary Metal and Metal Product Manufacturing			62,800	17%	
Basic Chemical and Chemical Product Manufacturing			54,700	41%	
Wood Product Manufacturing			34,200	13%	
Textile, Leather, Clothing and Footwear Manufacturing			32,800	58%	
Non-Metallic Mineral Product Manufacturing			31,700	21%	
Beverage and Tobacco Product Manufacturing			29,500	38%	
Polymer Product and Rubber Product Manufacturing			24,100	24%	
Printing (including the Reproduction of Recorded Media)			24,100	35%	
Pulp, Paper and Converted Paper Product Manufacturing			16,300	30%	
Petroleum and Coal Product Manufacturing			6,100	21%	
Manufacturing nfd			5,700	31%	
Total				29%	



Note: State-level and subsector-level employment figures are annual averages of the 4 quarters to May 2025 (original).

## Updates to the Manufacturing Factsheet

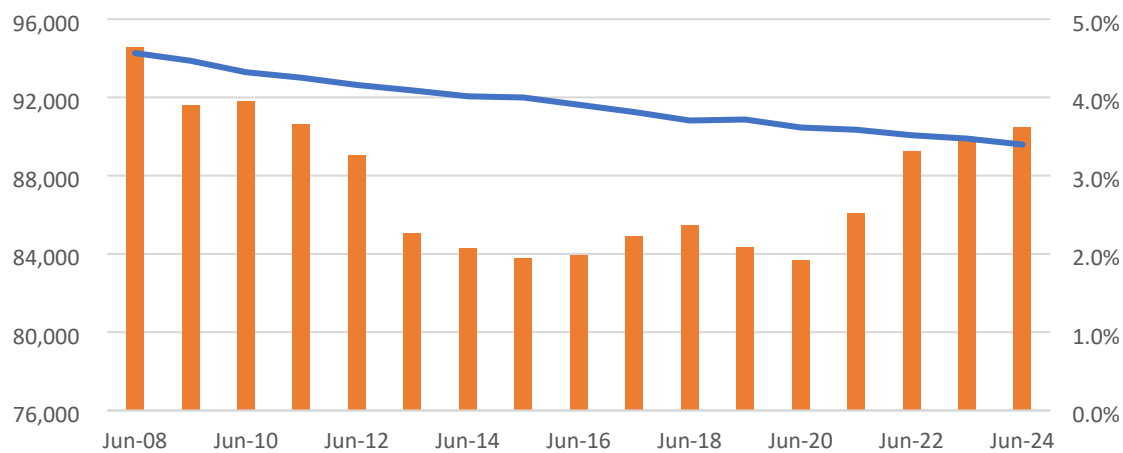
### Additional information on Business Counts, Labour Force Survey Employment and Manufacturing Value added

#### **ABS Business Counts**

Release date: 26 June 2025

- As of June 2024, the manufacturing sector had 90,476 businesses, which increased by 582 from June 2023. This represents an increase of 0.6 per cent over the past financial year, which is lower than the national growth rate of 2.8 per cent. The small increase in the number of manufacturing business is consistent with the sector's slight growth in exports and GVA over the year to June 2024.

Figure A1. Counts of Manufacturing businesses and share of total businesses



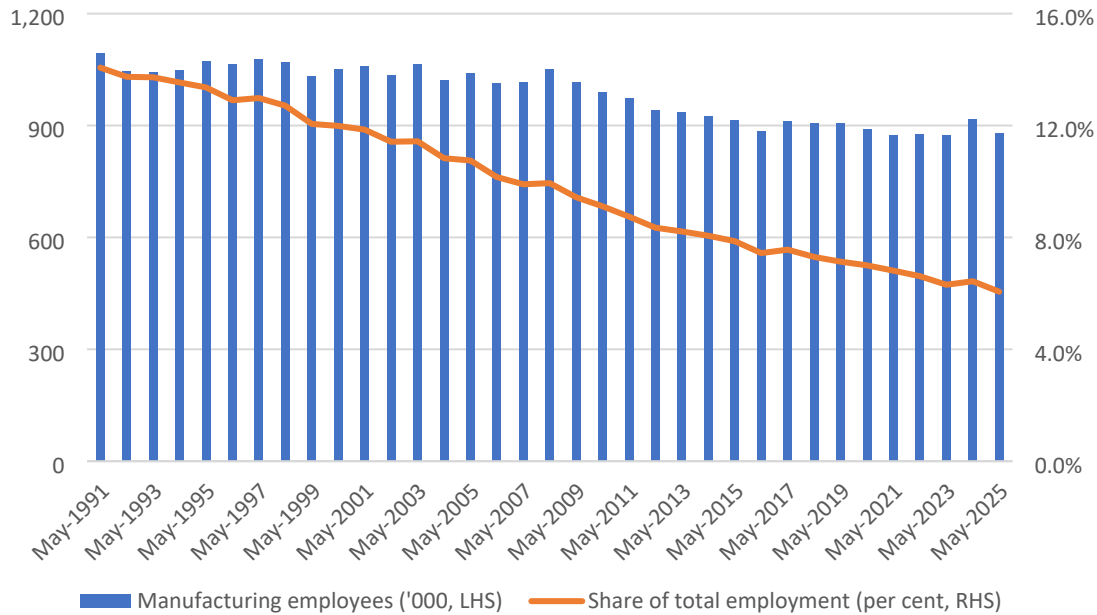
#### **ABS Labour Force Employment**

Release date: 26 June 2025

- In the 12 months to May 2025, the manufacturing sector employed around 880,000 people, declining by 4 per cent from 916,000 employed in the 12 months to May 2024.
- The manufacturing industry's share of employment has decreased over time as more jobs have been generated in other parts of the economy. The proportion of

Australian employed in manufacturing has fallen from around 8 per cent in 2014-15 to 6 per cent in 2024-25.

Figure A2. Manufacturing Employment, Labour Force Survey



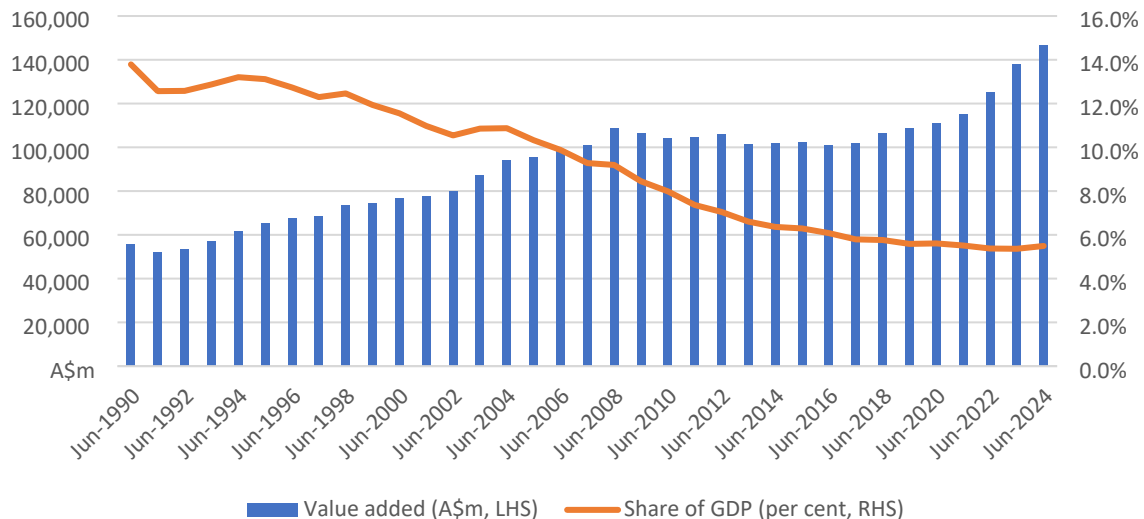
Note: Employment figures are based on four-quarter averages.

### ABS System of National Accounts – Value Added in Manufacturing

Release date: 25 October 2024

- In 2023-24, the manufacturing sector generated \$146.8 billion (current prices) in gross value added in the 2023-24 financial year, representing 5.5 per cent of GDP.
- In real terms, the manufacturing sector's gross value add grew by 0.3% in 2023-24, compared to 2022-23. Over the last decade, the sector has shrunk by 0.1% a year on average.

Figure A3. Manufacturing gross value add and share of GDP(current prices)



## Routine updates

### *International Trade in Goods and Services*

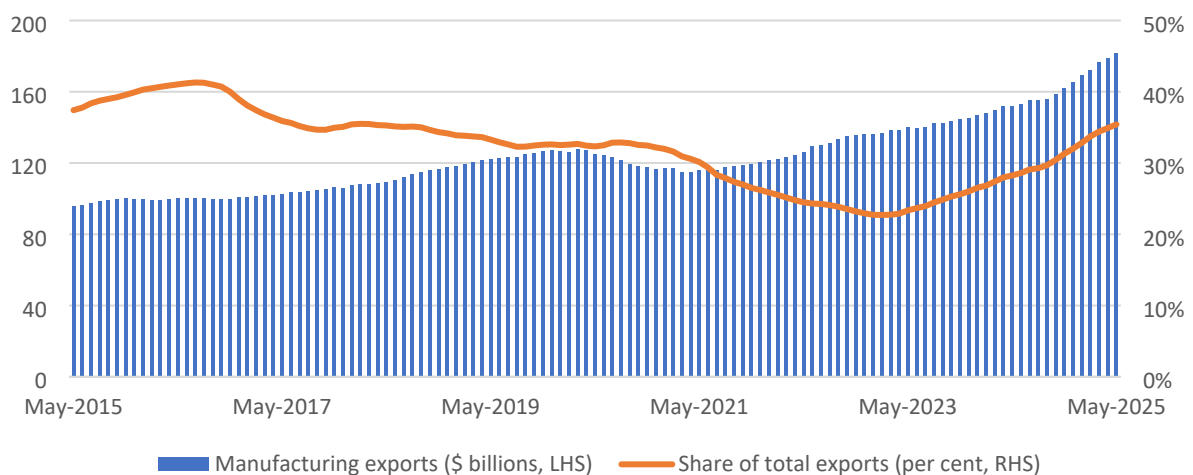
Reference Period: May 2025

Release date: 3 July 2025

The value of manufactured product exports was \$181.7 billion in the 12 months to May 2025, making up 35.4 per cent of total goods exported over the same period. This is up from \$179.0 billion and 34.9 per cent of total goods exported for the 12 months to April 2025.

The subsectors that drove the growth in exports over the past 12 months were primary metal and metal product manufacturing (+\$19.1 billion), food product manufacturing (+\$6.7 billion), and machinery and equipment manufacturing (+\$1.5 billion). These three subsectors are Australia's largest manufacturing exporters, collectively accounting for 78.8% of manufactured product exports over the past 12 months.

Figure 1. Manufacturing exports and share of total exports



### *Ai Group Australian Industry Index – Performance of Manufacturing Index (PMI)*

Reference period: June 2025

Release date: 2 July 2025

The Ai Group Australian PMI® decreased by 5.5 points in June 2025, remaining in contractionary territory at -29.3 points. Manufacturers reported that sales were impacted by weather disruptions and weakened buyer confidence due to trade uncertainty.

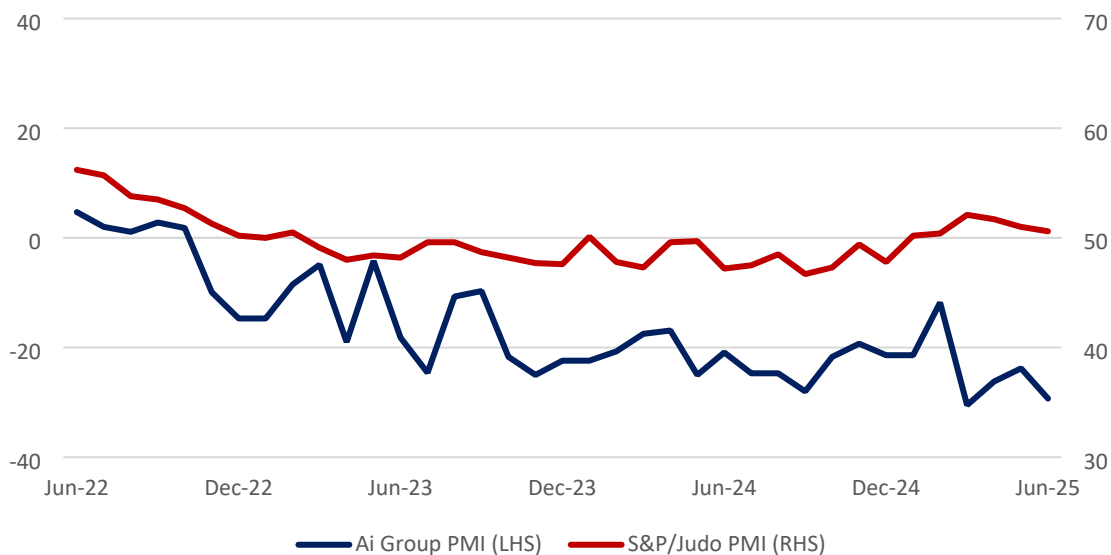
Upstream manufacturing showed mixed results in June, but overall remained in contraction:

- The chemicals index improved by 12.8 points from -35.2 to -22.4, as manufacturers reported improving exports to the UAE and South America, but challenges such as high import costs, regional droughts and economic uncertainty.
- Minerals and metals fell by 23.9 points from -7.3 to -31.2. Some metals manufacturers reported rising rates, tough competition and weak construction demand, while others benefited from new infrastructure projects and EOFY sales.

Downstream manufacturing sectors similarly showed mixed results:

- The machinery and equipment indicator rose by 7.1 points from -48.5 to -41.4. Some machinery makers reported transport limits, tariff strain and weak agri-construction demand, while others experienced gains from renewables and post-election orders.
- Food, beverages & TCF declined by 14.4 points from -9.0 to -23.4. Although some producers gained from increased exports to Europe and Southeast Asia, most experienced weaker demand from low tourism and alcohol consumption, as well as staffing and cost pressures.

Figure 2. Ai Group and S&P Global Australia Manufacturing PMI



### ***S&P Global Australia Manufacturing PMI<sup>1</sup>***

Reference period: June 2025

Release date: 1 July 2025

The S&P Manufacturing PMI was 50.6 in June 2025, down from 51.0 in May 2025. The index posted above the 50.0 neutral mark for the sixth consecutive month, but at the lowest reading since February 2025.

- Slower growth in the manufacturing sector was associated with a marginal decrease in new orders and notable decline in export orders. This was attributed to subdued global demand affected by US trade policy.
- Input costs continued to rise, driven by higher costs for raw materials, fuel and shipping. This was alongside shipment delays and supply shortages, likely extended by poor weather conditions. Some manufacturers chose to absorb cost increases amid increased competition, limiting increases in the selling price index.
- Employment levels rose in June, though at a slower pace than previous months, with both full-time and part-time workers hired to manage ongoing workloads.

<sup>1</sup> The two commonly used measures of Australia's manufacturing, the Ai Group Australian PMI (all manufacturing) and the S&P Global Australian Manufacturing PMI, measure rates of change in the level of manufacturing activity using monthly surveys from a national sample of Australian businesses. Compared with the S&P Global PMI, the Ai Group PMI has more coverage of components such as input prices, input volume, wages and exports. The Ai Group PMI is not reported for the December reference period.

- While business sentiment remained positive, concerns over the economic outlook for the next 12 month intensified in June.

### ***ABS Labour Force Employment***

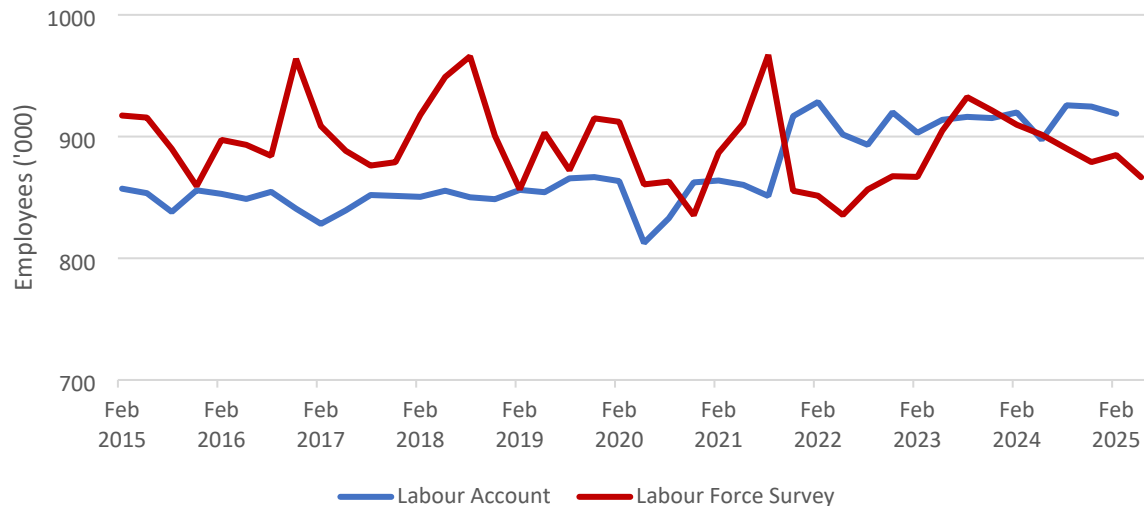
Reference period: May quarter 2025

Release date: 26 June 2025

- There are 866,600 people employed in the manufacturing sector as of the May quarter 2025, decreasing by 18,200 (2.1 per cent) from the February quarter 2025.
- Over the past 12 months, the manufacturing subdivisions with the largest employment growth were food product manufacturing (+6,200) and fabricated metal product manufacturing (+5,000).
- The manufacturing subdivisions with the largest decrease in employees were primary metal and metal product manufacturing (-12,000), beverage and tobacco product manufacturing (-9,700), and furniture and other manufacturing (-7,300).

Note: the factsheet contains both Labour Account and Labour Force Survey data. The Labour Account is a comprehensive measure of employment that draws on the Labour Force Survey and an unpublished Quarterly Business Indicator Survey. We suggest using the Labour Account for any analysis of employment in the sector and the Labour Force Survey as an early indicator of industry employment trends.

Figure 3: Manufacturing employment, Labour Account and Labour Force Survey



### ***Labour Account***

Reference period: March 2025

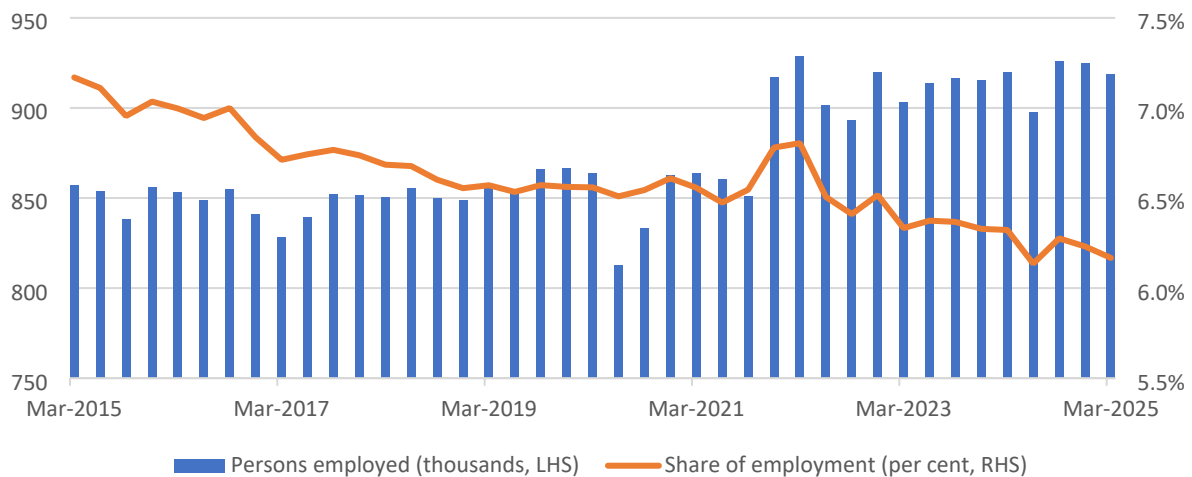
Release date: 06 June 2025

The number of persons employed in the manufacturing sector was 918,800 in the March quarter 2025, down by 5,800 from the December quarter 2024.

- This fall contrasts with the moderate uptick measured in the February 2025 Labour Force Survey, but remains consistent with PMI surveys and the overall decline in Labour Force Survey employment figures since late 2024.

The manufacturing industry's share of employment has decreased over time as more jobs have been generated in other parts of the economy. The proportion of Australian employed in manufacturing fell from 7.2 per cent in the March quarter 2015 to 6.2 per cent in the March quarter 2025.

Figure 4: Manufacturing employment, Labour Account



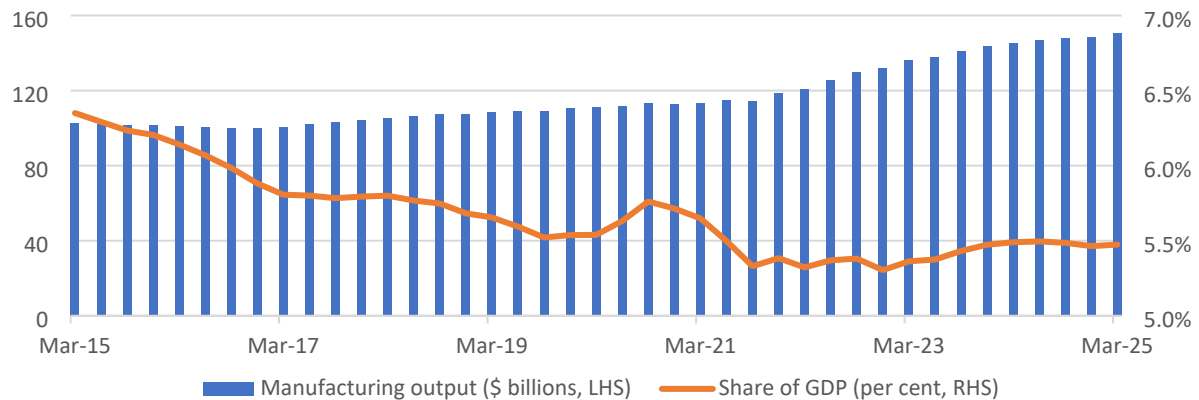
### ***ABS National Accounts – Value Added in Manufacturing***

Reference period: March 2025

Release date: 4 June 2025

- Manufacturing output totalled \$150.3 billion in the year to March 2025 (seasonally adjusted). This is up \$1.6 billion compared with the year to December 2024.
- In inflation adjusted terms, output for the March 2025 quarter was 0.7 per cent lower than the December 2024 quarter, and 2.6 per cent lower than the March 2024 quarter.
- Quarter-on-quarter, the greatest increases were noted in other manufacturing (2.2 per cent) and metal products (1.9 per cent). These increases were offset by a 3.9 per cent decrease in machinery and equipment and a 1.9 per cent decrease in petroleum, coal, chemical and rubber products.

Figure 5: Quarterly Gross Value Added in the Manufacturing Sector and share of GDP



### Input Costs to Manufacturing

Reference Period: March quarter 2025

Release date: 2 May 2025

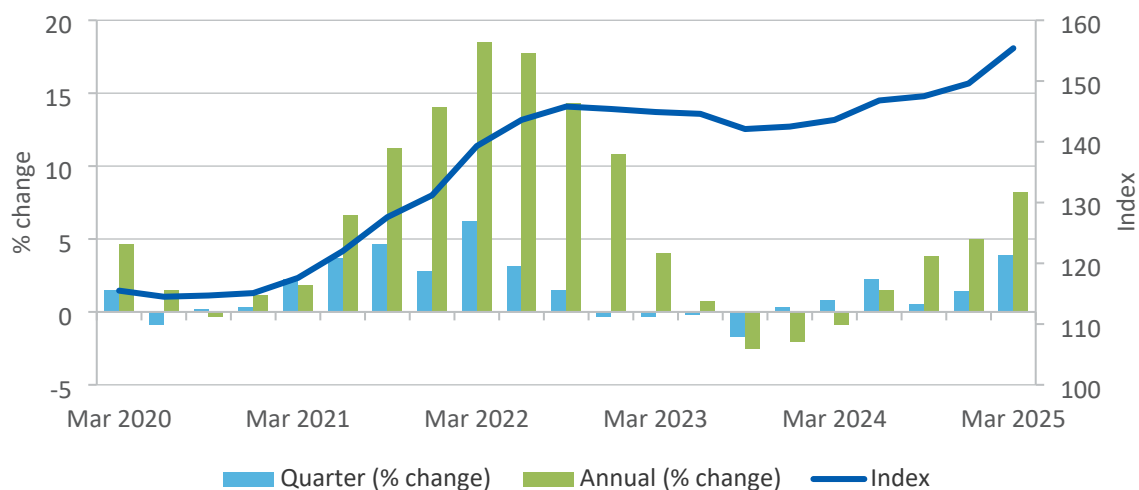
In the March quarter 2025, input prices to manufacturing rose 3.9 per cent over the quarter and rose 8.2 per cent over the past 12 months. Metal ore prices and depreciation of the AUD drove the rise in quarterly input prices to manufacturing.

The main contributors to input price rises to the manufacturing industries were:

- Metal ore mining (+8.5%), driven by strong demand for gold due to economic uncertainty, and shifting interest rate expectations.
- Agriculture to manufacturing (+4.5%), driven by strong export demand for beef and limited supply of cattle. Seasonal increases for untreated milk also contributed to the rise.
- Oil and gas extraction to manufacturing (+3.4%), due to a depreciation of the Australian dollar and tightening supply.

There were no significant negative price movements offsetting the price rises for the quarter.

Figure 6. Input to manufacturing prices, quarterly and annual percentage change and index





### Export Prices/Import Prices

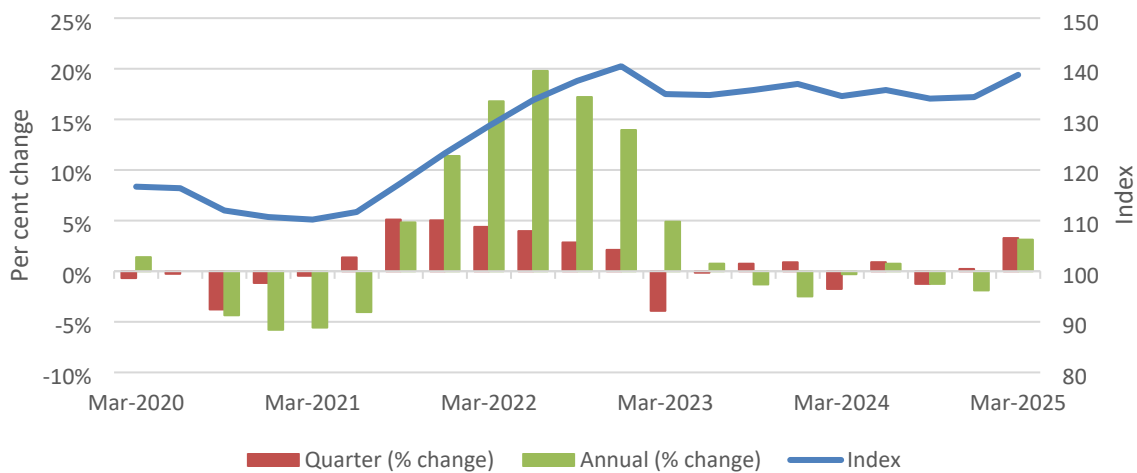
Reference Period: March 2025

Release Date: 1 May 2025

Imports: The import price index for the manufacturing sector rose 4.4 index points (+3.3%) in the quarter of March 2025, to 138.8 index points. The import index rose 3.1% over the last 12 months.

The largest increases in import prices were recorded in petroleum and coal product manufacturing (+8.1%), primary metal and metal product manufacturing (+6.4%) and food product manufacturing (+4.5%).

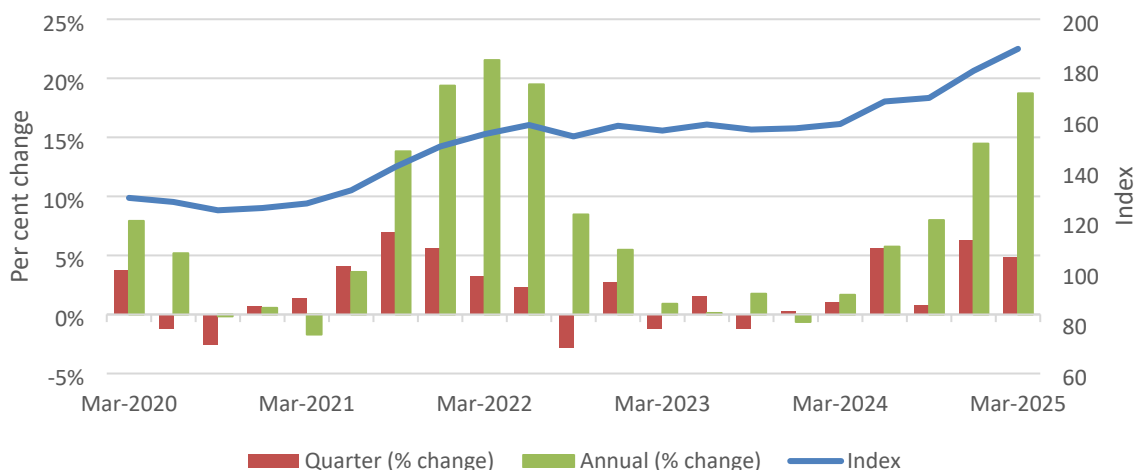
Figure 7. Import price index



Exports: The export price index for the manufacturing sector rose 8.7 index points (+4.8%) in the March 2025 quarter, to 188.3 index points. The export price index rose 18.7% over the last 12 months.

The largest increases in export prices were recorded in food product manufacturing (+3.7%), basic chemical and chemical product manufacturing (+3.5%) and polymer product and rubber product manufacturing (+3.2%).

Figure 8. Export price index



## Current and Upcoming Factsheet Releases

Section	Data Source	Current reference period	Current release date	Next reference period	Next release date
Labour Account Employment	<a href="#">ABS, Labour Account Australia</a>	March 2025	6 June 2025	June 2025	5 September 2025
Labour Force Survey Employment	<a href="#">ABS, Labour Force, Australia, Detailed</a>	May 2025	26 June 2025	August 2025	25 September 2025
Type and Form of Employment	<a href="#">ABS, Working Arrangements</a>	August 2024	9 December 2024	August 2025	11 December 2025
Manufacturing Output	<a href="#">ABS, Australian National Accounts: National Income, Expenditure and Product</a>	March 2025	4 June 2025	June 2025	3 September 2025
Input Costs to Manufacturing	<a href="#">ABS, Producer Price Indexes, Australia</a>	March 2025	2 May 2025	June 2025	1 August 2025
Export Value	<a href="#">ABS, International Trade in Goods</a>	May 2025	3 July 2025	June 2025	7 August 2025
Import and Export Prices	<a href="#">ABS, International Trade Price Indexes, Australia</a>	March 2025	1 May 2025	June 2025	31 July 2025
Performance of Manufacturing Index	<a href="#">AI Group Australian PMI (via email)</a> Supplementary data: S&P PMI	June 2025	2 July 2025	July 2025	6 August 2025
Earnings of Manufacturing Sector	<a href="#">ABS, Average Weekly Earnings, Australia</a>	November 2024	20 February 2025	May 2025	14 August 2025

Manufacturing Businesses	<a href="#">ABS, Counts of Australian Businesses, including Entries and Exits</a>	July 2020 – June 2024	27 August 2024	July 2021 – June 2025	26 August 2025
--------------------------	---	-----------------------	----------------	-----------------------	----------------

Factsheet update schedule

Month	Date	Data released
July 2025	Wednesday 2 July, 9am	Manufacturing PMI
	Thursday 3 July, 11:30am	Manufacturing Exports
	Thursday 31 July, 11:30am	Import and export prices
	Friday 1 August, 11:30am	Input costs to manufacturing
August 2025	Wednesday 6 August, 9am	Manufacturing PMI
	Thursday 7 August, 11:30am	Manufacturing Exports
	Thursday 14 August, 11:30am	Earnings of Manufacturing Sector
	Tuesday 26 August, 11:30am	Manufacturing businesses
	Wednesday 3 September, 9am	Manufacturing PMI
	Wednesday 3 September, 11:30am	Manufacturing GVA
September 2025	Thursday 4 September, 11:30am	Manufacturing Exports
	Friday 5 September, 11:30am	Labour Account Employment
	Thursday 25 September, 11:30am	Labour Force Employment

**QB25-000102****ALUMINIUM SMELTERS IN AUSTRALIA****Issue**

What is the Government doing to support aluminium smelters?

**Key Talking Points**

- The Australian Government is committed to working closely with relevant stakeholders to support a strong, competitive, modern metals sector, which is crucial to a Future Made in Australia and the global energy transition.
- There are four aluminium smelters in Australia producing approximately 1.6 million tonnes of aluminium per year.

<b>Smelter</b>	<b>Owner</b>	<b>Annual Production (t)</b>
Tomago, Hunter Valley, NSW	Joint venture partnership. Rio Tinto (51.5%) majority owner.	590,000
Boyne, Gladstone, QLD	JV- majority owner Rio Tinto (73.5%)	500,000
Portland, South West VIC	100% owned by Alcoa	310,000
Bell Bay, North West TAS	100% owned by Rio Tinto	190,000

**Contact:** s22, Manager, Green Aluminium and Alumina policy,  
**Cleared by:** s22 General Manager, Industrial Net Zero  
 Transformation Branch, s22

**Min ID:** QB25-000102  
**Division:** Industry and Manufacturing  
**Created:** 03 July 2025  
**Updated:** 7/14/2025 12:32 PM (date should stay in this format)

**QB25-000102**

## Green Aluminium Production Credit

- Green aluminium is a priority under the Government's Future Made in Australia green metals agenda.
- In January 2025, the Government announced the Green Aluminium Production Credit - a \$2 billion commitment to support the sector to remain competitive while decarbonising its production processes.
- This credit will help position Australia's aluminium smelters as leaders in the emerging green metals markets of the future.

## Importance of the aluminium industry to Australia

- Australia is in the top five exporters of aluminium, accounting for 11 percent of global exports in 2024-25, valued at A\$5.9 billion (AUD)<sup>1</sup>. The Australian Aluminium Council has estimated that over 13,000 direct, indirect and induced jobs are supported by the aluminium smelting sector nationally.<sup>2</sup>

## We are engaging to find solutions

- We are actively engaging with aluminium smelters, state governments, and other organisations to ensure we find solutions to the challenges facing the industry.

---

<sup>1</sup> Resources and Energy Quarterly, June 2025

<sup>2</sup> Australian Aluminium Council – Green Metals Consultation Submission 2024

**Contact:** s22, Manager, Green Aluminium and Alumina policy,

**Cleared by:** s22 General Manager, Industrial Net Zero Transformation Branch, s22

**Min ID:** QB25-000102

**Division:** Industry and Manufacturing

**Created:** 03 July 2025

**Updated:** 7/14/2025 12:32 PM

**QB25-000102**

- This sector is particularly sensitive to energy prices as energy accounts for 30-40 per cent of a smelter's operating costs.
- The Government is accelerating investment in low-cost, renewable energy generation through the Capacity Investment Scheme, and improving the accessibility and affordability of clean energy through the Rewiring the Nation program.
- State Governments are doing their part too – accelerating investment in renewable energy through the establishment of Renewable Energy Zones and rolling out new transmission infrastructure.
- But government intervention alone is not enough; businesses need to drive efforts to overcome challenges.
- The potential closure of metals smelting facilities poses a material loss of domestic capability and diversification opportunities in advanced manufacturing.
  - Leveraging Australia's abundant natural resources, skilled workforce, existing facilities, and innovative research sector is essential to maximising future opportunities.
- Requests for taxpayer support must undergo robust analysis to ensure solutions are targeted, sustainable and valuable to Australia.

Contact: s22, Manager, Green Aluminium and Alumina policy,  
Cleared by: s22 General Manager, Industrial Net Zero  
Transformation Branch s22

Min ID: QB25-000102  
Division: Industry and Manufacturing  
Created: 03 July 2025  
Updated: 7/14/2025 12:32 PM

**QB25-000102**

## Background

### If asked, why are the aluminium smelters under pressure?

- All aluminium smelters in Australia are facing significant financial viability challenges over the near and medium term due to market conditions, aged capital and energy costs.
- Each facility is at least 40 years old with high operating costs, reflecting the age of the capital.
- Energy prices drive aluminium smelter's operating costs. We are committed to modernising Australia's energy system to bring online affordable and renewable energy. This includes granting major projects status to renewables projects and working with states to bring renewables projects online.
- The Commonwealth Government is continuing to invest in our energy system to support new investment in energy capacity in the system, including through the Capacity Investment Scheme (CIS).
- The Minister for Energy and Climate Change recently announced changes to the CIS to reduce the time taken to finalise tender outcomes to around six months from the current nine months

### How will the green aluminium production credit help?

- Australia's unique vertically integrated aluminium industry, spanning bauxite mining, alumina refining, and aluminium smelting, improves efficiency and reduces exposure to external risks.
- The \$2 billion Green Aluminium Production Credit, available for applications from 1 July 2028, will position Australian aluminium as some of the greenest in the world.

Contact: s22, Manager, Green Aluminium and Alumina policy,  
Cleared by: s22 General Manager, Industrial Net Zero  
Transformation Branch, s22

Min ID: QB25-000102  
Division: Industry and Manufacturing  
Created: 03 July 2025  
Updated: 7/14/2025 12:32 PM

**QB25-000102**

- The credit will relieve near term cost pressures on the aluminium industry and drive deep decarbonisation within the industry, which currently uses more than 10 per cent of the electricity in the National Electricity Market.
- A review point in 2030 will determine whether credit rates are in line with market requirements.

**Contact:** s22, Manager, Green Aluminium and Alumina policy,  
**Cleared by:** s22 General Manager, Industrial Net Zero  
s 22 Transformation Branch s22

**Min ID:** QB25-000102  
**Division:** Industry and Manufacturing  
**Created:** 03 July 2025  
**Updated:** 7/14/2025 12:32 PM



**QB25-000101**

## **GLENCORE MT ISA COPPER SMELTER**

### **Issue**

What is the Government doing to support Glencore's Mount Isa copper smelter?

### **Key Talking Points**

#### **Glencore's copper smelter**

- Smelting capabilities around the country are in challenging circumstances. We are working with state governments around Australia, to secure the best result in the national interest.
- The Australian Government is monitoring the situation at the Mount Isa copper smelter closely, and we are committed to working with the Queensland Government on the best path forward.
- The copper smelter and other facilities downstream that rely on the smelter are important to the Mount Isa community and the broader region.

#### **Heavy industry facilities at risk**

- The Australian Government is committed to working closely with relevant stakeholders to support a strong, competitive modern metals sector, which is crucial to a Future Made in Australia and the global energy transition.

Contact: s22, Manager Heavy Industries Investments section,

Cleared by: s22 Leah Wojcik, General Manager, Industry Policy branch, Cs22

Min ID: QB25-000101

Division: Industry and Manufacturing

Created: 03 July 2025

Updated: 7/11/2025 4:30 PM (date should stay in this format)

**QB25-000101**

- The potential closure of metals smelting facilities poses a material loss of domestic capability and diversification opportunities in advanced manufacturing.
  - Leveraging Australia's abundant natural resources, skilled workforce, existing facilities, and innovative research sector is essential to overcoming geopolitical challenges and maximizing future opportunities.
- Government intervention alone is not enough; businesses need to drive efforts to overcome challenges.
- Requests for taxpayer support must undergo robust analysis to ensure solutions are targeted, sustainable and valuable to Australia.

**QB25-000101**

## Background

- In April 2025, Glencore announced the closure of its Mount Isa Mines underground copper operations and copper concentrator by the end of July 2025 (first announced in 2023). The closure will directly impact 500 jobs. 170 workers had been redeployed by 1 April 2025.
- In April 2025, Glencore also raised concerns about the future of the Mount Isa copper smelter and Townsville copper refinery.
- In June 2025, you had high-level talks with Glencore and the Queensland Government, and travelled to Mount Isa for a series of stakeholder and community meetings.
  - You agreed for the Australian and Queensland Governments to be in lock step in responding to the challenges facing the Glencore smelter.
- Townsville Enterprise released the “Keep Our Copper” documentary series on the significance of Queensland’s copper supply chain and the threat of losing key infrastructure without immediate action.
- In July 2025, the Trump Administration announced it would impose a 50 per cent tariff on copper to commence 1 August 2025.

### ***If asked: How will the US’s proposed copper tariffs impact Mount Isa?***

- In 2024, Australia exported A\$55 million in copper products to the US. The US accounts for less than one per cent of Australia’s copper exports. The Mount Isa smelter does not export to the US.

**QB25-000101**

- Around the world and here at home, the Australian Government will always stand up for Australian jobs and Australian industries. Australia has a strong track record of managing trade concerns in line with our interests and consistent with our commitments.

Contact: s22 , Manager Heavy Industries Investments section,  
Cleared by: Leah Wojcik, General Manager, Industry Policy branch, s22

Min ID: QB25-000101  
Division: Industry and Manufacturing  
Created: 03 July 2025  
Updated: 7/11/2025 4:30:00 PM

**QB25-000099**

## **LIBERTY BELL BAY**

### **Issue**

What is the Government doing to support Liberty Bell Bay's manganese smelter?

### **Key Talking Points**

#### **Liberty Bell Bay**

- A stable supply of critical minerals and strategic materials is increasingly important for Australia and its trading partners.
- Liberty Bell Bay and its products are important for sovereign steelmaking and to realising Australia's green metals ambition.
- In May, Liberty Bell Bay advised the Tasmanian Government and local staff they would enter a period of limited operations because of ore supply chain interruptions.
- I urge GFG Alliance to step up and deliver confidence and certainty in the ongoing operations of this facility.
- The Australian Government – and the Tasmanian Government, local staff, unions and affected communities – need much more transparency about the state of the business and operations.
- My department has undertaken a rapid assessment of the Liberty Bell Bay situation. Tasmania has been working directly with the facility, supported by the Commonwealth.

**Contact:** s22, Manager Heavy Industries Investments section,  
**Cleared by:** s22 Leah Wojcik, General Manager, Industry Policy branch,  
s22

**Min ID:** QB25-000099  
**Division:** Industry and Manufacturing  
**Created:** 03 July 2025  
**Updated:** 7/15/2025 12:09 PM (date should stay in this format)

**QB25-000099**

- I will also continue to work closely with industry, unions and governments to understand the needs of Australia's regions, communities and workers.

## **Heavy industrial closures**

- The Australian Government is committed to working closely with relevant stakeholders to support a strong, competitive modern metals sector, which is crucial to a Future Made in Australia and the global energy transition.
- Smelting capabilities around the country are in challenging circumstances, and we're working with state governments, to secure the best result in the national interest.
- The potential closure of metals smelting facilities poses a material loss of domestic capability and diversification opportunities in advanced manufacturing.
- Government intervention alone is not enough and can't always be the answer; businesses need to drive efforts to overcome challenges.
- Requests for taxpayer support must undergo robust analysis to ensure solutions are targeted, sustainable and valuable to Australia.

**QB25-000099**

## Background

- Liberty Bell Bay manganese smelter is owned by the Gupta Family Group (GFG) Alliance.
  - Liberty Bell Bay has 260 employees and 100 contractors.
  - Liberty Bell Bay is the sole domestic producer of manganese alloy which is used in steel products for the defence, construction and mining sectors.
  - The manganese alloy is a market dominated by China, although India, South Korea, and Malaysia could also provide alternative supply.
- On 25 February 2025, WhiteOak (a hedge fund financing various GFG entities) registered a first ranking security over 100 per cent of the shares in Liberty Bell Bay.
- Liberty Bell Bay announced on 19 May 2025 that the manganese smelter would enter a period of limited operations from 16 June 2025 to 13 July 2025.
- On 27 June 2025 ASIC announced it had taken action in the Supreme Court of NSW against Liberty Bell Bay for their failure to lodge annual financial reports with ASIC.

### ***If asked: can you provide more information on ASIC's actions?***

- I will not be making any comments on the actions taken by ASIC, which are investigated independently, and while the matter is before the court.

**QB25-000100**

## **NYRSTAR PORT PIRIE & HOBART**

### **Issue**

What is the Government doing to support Nyrstar's Port Pirie multi-metals processing facility and Hobart zinc smelter?

### **Key Talking Points**

#### **Nyrstar facilities**

- A stable supply of critical minerals and strategic materials is increasingly important for Australia and its trading partners.
- Smelting capabilities around the country are in challenging circumstances, and we're working with state governments around Australia, to secure the best result in the national interest.
- The Australian Government understands Nyrstar Australia is facing significant financial pressures, driven by low treatment charges and global market conditions, and has called for Commonwealth and State Government support.
- I am working closely with my South Australian and Tasmanian counterparts. My department is working with these governments and with Nyrstar to build a common understanding of the facts and factors impacting operations.
- I will continue to work closely with industry, unions and governments to understand the needs of Australia's regions, communities and workers.

**Contact:** s22 , Manager Heavy Industries Investments section,  
**Cleared by:** s22 Leah Wojcik, General Manager, Industry Policy branch, s22

**Min ID:** QB25-000100  
**Division:** Industry and Manufacturing  
**Created:** 03 July 2025  
**Updated:** 7/11/2025 9:45 AM (date should stay in this format)



**QB25-000100**

## Heavy industry facilities at risk

- The potential closure of metals smelting facilities poses a material loss of domestic capability and diversification opportunities in advanced manufacturing.
  - Leveraging Australia's abundant natural resources, skilled workforce, existing facilities, and innovative research sector is essential to overcoming geopolitical challenges and maximizing future opportunities.
- Government intervention alone is not enough or always the answer; businesses also need to drive efforts to overcome challenges.
- Requests for taxpayer support must undergo robust analysis to ensure solutions are targeted, sustainable and valuable to Australia.

**Contact:** s22, Manager Heavy Industries Investments section,  
**Cleared by:** s22 Leah Wojcik, General Manager, Industry Policy branch s22

**Min ID:** QB25-000100  
**Division:** Industry and Manufacturing  
**Created:** 03 July 2025  
**Updated:** 7/11/2025 9:45 AM

**QB25-000100**

## Background

- On 12 March 2025 Nyrstar Australia announced that it would start to reduce production at the Hobart smelter from April.
  - Nyrstar Australia is a subsidiary of multinational Nyrstar NV, which is majority-owned by Singapore based Trafigura Group.
  - Nyrstar employs 800 people at Port Pirie (10% of the local workforce, producing 80% of Australia's refined lead) and 550 at Hobart (producing 50% of Australia's zinc). Both facilities have been financially impacted by low treatment charges.
- On 2 June 2025, you met with Trafigura and Nyrstar Australia to discuss their operations since Trafigura announced its 'Strategic Review' of its Australian zinc and lead smelting assets (March 2025) and the request for Government support.
- Tuesday 8 July 2025, Prime Minister door stop interview – highlighted working together with the Tasmanian and South Australian Government's on Nyrstar.

### *Previous funding*

- Nyrstar was provided a \$50 million ad hoc grant in the 2022-23 October Budget to update its Hobart smelter.
- The Tasmanian Government agreed to contribute \$20 million of state funding to the project.

**Contact:** s22, Manager Heavy Industries Investments section,  
**Cleared by:** s22 Leah Wojcik, General Manager, Industry Policy branch, s22

**Min ID:** QB25-000100  
**Division:** Industry and Manufacturing  
**Created:** 03 July 2025  
**Updated:** 7/11/2025 9:45 AM

**QB25-000089**

## WHYALLA

### Issue

What is the government doing to support the future of the Whyalla Steelworks?

### Key talking points

- The Commonwealth Government is working with the South Australian Government to save the Whyalla Steelworks, support local jobs and encourage more investment into Australian-made iron and steel.
- In February 2025, the Commonwealth and South Australian Governments committed to a \$2.4 billion package of support for Whyalla.
- On 24 June, the sale process for the Whyalla Steelworks and associated mining operations formally opened.
- The independent sales process, led by administrator KordaMentha, marks a significant step towards securing a long-term, sustainable future for steelmaking in Whyalla.
- The sale gives prospective bidders the unique opportunity to leverage a pit-to-port asset and advance sovereign steelmaking in Australia.

**QB25-000089**

## **Commencement of the sales process**

- Prospective buyers have now been granted access to a secure data room allowing parties to prepare indicative offers as part of a phased approach to the sale.
- Of the \$2.4 billion committed in support to Whyalla, the Commonwealth and South Australian Governments have together committed up to \$1.9 billion to invest alongside a new owner in the steelworks' future.
  - Commonwealth funding includes up to \$500 million from the Green Iron Investment Fund.
- Governments will work with bidders to negotiate a buyer support package, subject to due diligence.
- Government has no preferred bidder and will not engage preferentially with any bidder.

## **Funding for the administration**

- The Commonwealth and South Australia are equally funding administration costs totalling \$384 million [*\$192 million each*].
- The Commonwealth will consider requests for further funding in accordance with usual processes.

**QB25-000089****On-the-ground support**

- The Commonwealth Government and South Australia jointly provided \$100 million of immediate, on the ground support to Whyalla.
  - The Commonwealth is contributing up to \$18 million to support the South Australia Business Creditor Assistance Scheme.
  - As at 24 June, 61 businesses had received more than \$15 million through the scheme.

**If asked – Why are the governments contributing different amounts ?**

- SA and the Commonwealth are in some cases contributing different amounts to individual components of the package.
- The Commonwealth is working through the specifics of its contribution, informed by the work of the Administrator.
- Final funding will be subject to negotiations and due diligence, and subsequent government agreement.

**QB25-000089****If asked – Does the Government have a preferred bidder?**

- To maintain the process integrity of the administration and sale process, the Commonwealth is adhering to strict probity protocols and principles.
- The sale is being led by the independent Administrator.
- The Government does not have a preferred bidder and will engage, at the appropriate time, with credible bidders that have appropriate plans to secure steelmaking in Whyalla.

**QB25-000084**

## NATIONAL RECONSTRUCTION FUND

### Issue

What is the National Reconstruction Fund Corporation (NRFC) doing to invest in Australian manufacturing?

### Key Talking Points

- As of 8 July 2025, the NRFC has announced nine investments totalling \$434.5 million across a number of the government priority areas.
- These investments are geographically dispersed and showcase Australian talent and business ideas.
- Partnerships are central to the NRFC's approach. It actively engages with businesses, entrepreneurs, financiers and investors nationwide to build a strong pipeline of opportunities that strengthen Australia's industrial capability.
- The NRFC has been established as an independent financier governed by a Board that makes investment decisions in accordance with its legislative framework, including its Investment Mandate.
  - The NRFC provides debt and equity to drive Australian based investments in priority areas of the Australian economy.

**Contact:** s22, Manager, NRF Policy, Sovereign Capability and Supply Chains Division, s22  
**Cleared by:** Esther Harvey, A/g General Manager, NRF Policy and FMA Liaison, Sovereign Capability and Supply Chains Divisions s22

**Min ID:** QB25-000084  
**Division:** Sovereign Capability and Supply Chains  
**Created:** 02 July 2025  
**Updated:** 7/14/2025 1:50 PM (date should stay in this format)

**QB25-000084**

## Background

### ***If asked: What is the Economic Resilience Program?***

- The Government will establish a new Economic Resilience Program (ERP) through the National Reconstruction Fund (NRF), offering up to \$1 billion in zero-interest loans to help firms seize new export opportunities.
- The Government is currently considering design options.

### ***If asked: What has been done about NRFC governance following ANAO audit findings?***

- The Government welcomes the ANAO's finding that the design of the NRFC was largely effective and the NRFC's governance arrangements are largely sound.
- The NRFC has accepted all audit recommendations and is making strong progress on implementation. I have full confidence that improvements will be implemented and the NRFC is getting on with the business of making investments, supporting Australian industry and helping to transform our economy.

### ***If asked: Did the department do due diligence checks for one NRFC Board member?***

- The department conducted due diligence checks on all prospective board members, assessing suitability based on experience, expertise, professional credibility and significant standing in the fields identified in section 19(2) of the Act.
- All appointments were considered in accordance with the Cabinet Handbook (15th edition).



**QB25-000084**

***If asked: What are you doing about complaints of possible misconduct, governance failures and ongoing workplace culture issues?***

- While respecting its independence, I am working very closely with the Board and Executive of the NRFC and am focused on ensuring it is delivering on its mandate.

***NRFC Investments (at 8 July 2025)***

- As of 8 July 2025, the NRFC has announced nine investments totalling \$434.5 million:
  - \$27 million in **PolyActiva**, to complete its phase 2b clinical trial of its pioneering eye implant technology.
  - \$15 million equity investment in **QuintessenceLabs**, to establish a manufacturing site in Canberra and undertake further technological development.
  - \$40 million in **Russell Mineral Equipment (RME)**, to support the expansion of its Australian manufacturing operations, and enable it to pursue value-adding opportunities.
  - \$100 million to the **Resource Capital Funds (RCF)** 'Innovation Fund III' to invest in companies and projects which align with the NRFC's mandate.
  - \$13 million in **Quantum Brilliance** to accelerate design and fabrication of quantum diamond devices and enhance local capability in the emerging quantum technology sector.
  - \$25 million investment in **Myriota** to develop its network satellite technologies and infrastructure and ramp up Australian-based manufacturing of its advanced satellite communications modules and hardware for global export.

**QB25-000084**

- \$22.5 million in **Vault Cloud** to expand the company's existing offerings in cloud computing infrastructure and develop and deploy new services, including the Vault SECRET Cloud.
- \$200 million in **Arafura Rare Earths Limited** for the Nolans Project, which will expand Australia's access to strategic rare earth minerals.
- \$32 million in **Harrison.ai** to further develop its unique range of AI-powered radiology and pathology diagnostic tools and to expand its services into other hospitals and healthcare facilities around the world.

***Government-identified priority areas***

- NRFC investments will be targeted across 7 government identified priority areas that leverage Australia's natural and competitive strengths, including: (1) value add in resources; (2) value-add in the agriculture, forestry and fisheries sectors; (3) transport; (4) medical science; (5) renewables and low emission technologies; (6) defence capability; (7) enabling capabilities.

***Steps required to make an investment***

- The NRFC has a six-stage investment process, detailed in the 'Investment Guidance' section of its website. This process begins with initial screening when a proposal is received, through two distinct phases of due diligence in which potential investees are deeply engaged, before a potential investment recommendation is sent to the NRFC Board for investment approval. Following this, companies remain closely engaged through an asset management phase for the life of the investment.
- Throughout this process, the NRFC commits to:

**Contact:** s22, Manager, NRF Policy, Sovereign Capability and Supply Chains Division s22  
**Cleared by:** Esther Harvey, A/g General Manager, NRF Policy and FMA Liaison, Sovereign Capability and Supply Chains Divisions, s22

**Min ID:** QB25-000084  
**Division:** Sovereign Capability and Supply Chains  
**Created:** 02 July 2025  
**Updated:** 7/14/2025 1:50:00 PM

**QB25-000084**

- working with businesses and entrepreneurs to understand investment proposals
- communicating openly and honestly about investment requirements and information needs
- respecting the confidentiality of any information provided
- acting with professionalism and integrity at all times.

***Proposals received and under active consideration***

- The NRFC has received several hundred proposals since establishment and the number of proposals actively under consideration fluctuates.
  - Active consideration includes proposals in the NRFC's active pipeline, as well as active enquiries where NRFC are waiting on further information or following up with proponents.
- Where proposals are not eligible or do not meet the criteria for investment consideration the NRFC endeavours to provide a quick answer and help proponents identify more suitable finance options. This includes referring them to other government support, referring to other finance providers or encouraging them to reengage with NRFC at a future time, when changed circumstances mean they may be more suitable.

***NRFC establishment timeline***

- The NRFC was established on 18 September 2023 and announced its first investments on 19 November 2024.
  - The Government committed to establishing the NRFC in Budget 2022-23 (October)
  - The NRFC Bill was introduced to parliament in November 2022, passed in March 2023, and received Royal Assent in April 2023.

**Contact:** s22, Manager, NRF Policy, Sovereign Capability and Supply Chains Division, s22  
**Cleared by:** Esther Harvey, A/g General Manager, NRF Policy and FMA Liaison, Sovereign Capability and Supply Chains Divisions, s22

**Min ID:** QB25-000084  
**Division:** Sovereign Capability and Supply Chains  
**Created:** 02 July 2025  
**Updated:** 7/14/2025 1:50:00 PM

**QB25-000084**

- The NRFC Act and Priority Areas Declaration commenced on 18 September 2023.
- The NRFC Investment Mandate commenced on 30 November 2023.

**Contact:** s22, Manager, NRF Policy, Sovereign Capability and Supply Chains Division, s22  
**Cleared by:** Esther Harvey, A/g General Manager, NRF Policy and FMA Liaison, Sovereign Capability and Supply Chains Divisions, s22

**Min ID:** QB25-000084  
**Division:** Sovereign Capability and Supply Chains  
**Created:** 02 July 2025  
**Updated:** 7/14/2025 1:50:00 PM

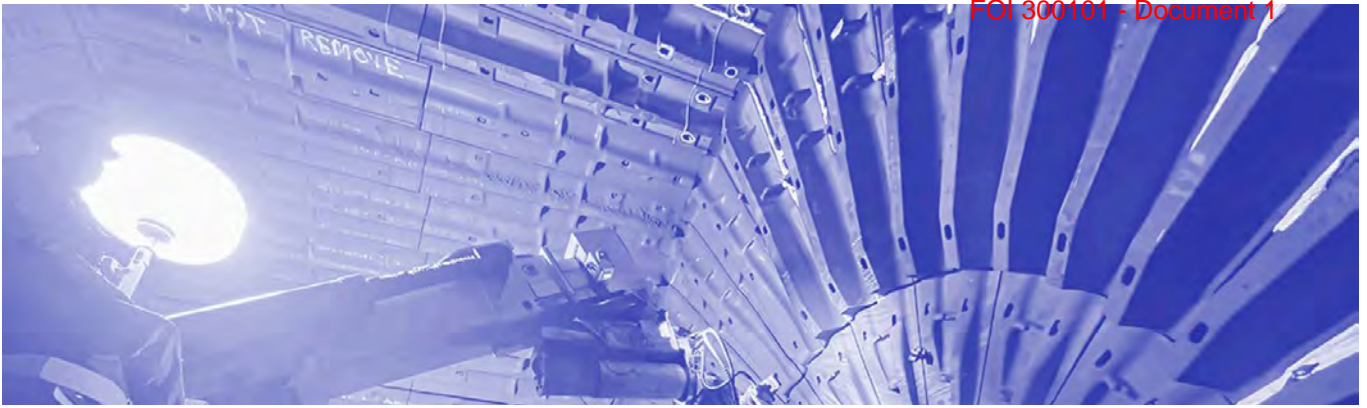
# Audit reveals the NRF has no financial strategy despite \$436m in deals

The Albanese's flagship reconstruction fund has been rebuked for lacking a formal financial strategy and for other lapses, though its governance is "largely sound".



BRONWEN CLUNE

9:01pm yesterday



## ≡ CAPITAL BRIEF

[Team access](#)

*The National Reconstruction Fund Corporation (NRFC) made its first investment of \$40 million in Russell Mineral Equipment (RME). Supplied.*

**T**he National Reconstruction Fund has been rebuked for failing to adopt a formal financial strategy and for not obtaining conflict of interest disclosures from its external investment advisers before it deployed hundreds of millions in taxpayer funds on its first wave of deals.

The Australian National Audit Office last week released its first performance report for the NRF, finding that its governance arrangements were "largely sound". But the report also raised several questions about the NRF's operations, including its risk management protocols and procurement processes.

It revealed the NRF "is yet to develop a financial strategy" and "did not obtain conflict of interest declarations and confidentiality agreements from suppliers who assisted with investment due diligence."

The report found that the fund's board failed to develop the financial roadmap needed to transition from government funding to self-sufficiency by 2025-26, when taxpayer appropriations are scheduled to end.

Its broader investment strategy also remained in draft form as of September 2024, even as hundreds of millions flowed to companies and projects.

"These gaps limit the effectiveness of the NRFC Board's fund promotion and its ability to achieve performance targets," auditors concluded in the report released Thursday last week.

*Capital Brief* last month revealed that the NRF is the subject of a Public Interest Disclosures Investigation led by law firm **Clayton Utz** and **KPMG**, with oversight from the Commonwealth Ombudsman under Australia's whistleblower protection laws.

It followed a whistleblower complaint alleging governance failures and ongoing workplace culture issues at the organisation.

*InnovationAus* earlier reported on the ANAO report.

The NRF was set up by the Albanese government as a flagship initiative to rebuild Australia's industrial base across seven key areas including critical minerals, advanced manufacturing and artificial intelligence.



The \$15 billion entity told *Capital Brief* earlier this year it had deployed \$436 million since November, into companies including tech startups such as **Harrison.ai**, **QuantumBrilliance** and **QuintessenceLabs**.

A spokesperson for the NRF said the corporation welcomed the auditor-general's finding that governance arrangements were largely sound and was committed to making identified improvements.

"While it is important to make sure we are continuously improving in these areas, as an organisation we are focused on delivering impactful investments on behalf of all Australians. We are on track to meet our investment targets and are getting on with the job," the spokesperson said.

The NRF accepted all seven audit recommendations, with the spokesperson saying that "some of the areas identified for improvement have already been addressed and others are currently being addressed."

## Risk management lapses

The ANAO also uncovered lapses in risk management protocols, with NRF board members not receiving their Embargo Register—a critical document designed to prevent insider trading by tracking who holds market-sensitive information about companies under consideration for investment. The fund's stakeholder engagement framework was only approved in May 2025, months after the reporting period ended.

And the audit identified "poor procurement and recruitment oversight" and found four incidents in the fund's own register, including employees executing commercial agreements without proper delegation and contracts signed without internal legal review.



The corporation spent \$1.6 million on recruitment firms and contractor services in the 2024-25 financial year through February, with \$1.48 million going to Executive Interim Management alone, the report found.

While the NRF defended the spending as aligned with its policies and offering "value for money," the audit's findings on procurement oversight raise questions about the efficiency of such heavy reliance on external contractors during the fund's establishment phase.

The NRF also struggled with freedom of information requests, with auditors finding its approach was "not consistent with guidelines from the Australian Information Commissioner." The corporation publishes a log of FOI requests that can be requested by emailing the NRF, but auditors suggested it should publish full documents directly.

## 'Very strong guidance'

The corporation disputed characterisations that it lacked adequate strategic frameworks, saying its financial strategy had been detailed across multiple documents including its operations plan, corporate strategy and budget.

The corporation pointed to existing guidance documents to justify sound investment decisions while the investment strategy remained in draft form and the stakeholder engagement framework was incomplete.

"NRFC's investment mandate provides very strong guidance as to the kinds of investments the fund can make and NRFC's investment policies have been in place and published on our website since May 2024, as required by legislation," a spokesperson said. "This document includes investment strategy and targets, our investment assessment

process and other factors that guide our investment activities and decision making."

In addition a Strategic Asset Allocation was presented to the board in August 2024.

"These documents comprehensively detail operating costs and strategy for reaching self-sufficiency," an NRFC spokesperson said. "As recommended by ANAO we are consolidating these into a single document, which we expect to be provided to our Board by September."



TOPICS: [AUSTRALIAN POLITICS](#), [VENTURE CAPITAL](#)



### Sign up to Sweat Equity

A weekly newsletter that tracks the pulse of startups, VC and tech.

[Read the latest](#)

## More in Politics

NEWSLETTER THE EDITION

### Be my guest

Jim Chalmers has opened invitations to his economic reform roundtable, but the absence of tech voices raises questions about the path to productivity.

JENNIFER DUKE · 27 June 2025





## Alliance arithmetic

The Albanese government insists it can deliver AUKUS and keep Washington happy without lifting defence spending — but a new NATO benchmark is raising the stakes.

ANTHONY GALLOWAY · 27 June 2025



## Sussan Ley vows to fix Liberal policy woes after botched bracket creep reform

The Opposition leader has pledged to overhaul the Liberal Party's internal policy processes after key economic proposals were rejected before the last election.

ANTHONY GALLOWAY · 25 June 2025

- ⚡ **US prices for China-made goods sold on Amazon rising faster than inflation: Reuters**  
11:38pm yesterday
- ⚡ **Canada rescinds digital services tax to restart US trade talks**  
2:46pm yesterday
- ⚡ **Albanese government launches review into gas policies**  
12:58pm yesterday
- ⚡ **Trump says TikTok buyer identities will be revealed within two weeks**  
4:45am yesterday
- ⚡ **Hong Kong's last pro-democracy party disbands, citing years of security crackdowns**  
2:30am yesterday

## More in Technology and startups

### Palmer Luckey's Anduril splashes \$50 million on facilities as it expands in Australia



The defence tech startup's Australian entity posted a \$10 million profit — though that was made possible by \$56 million in sales to its US-based parent company.

DANIEL VAN BOOM · 5:00am today

NEWSLETTER CAPITAL GAINS

### The hottest gig in banking

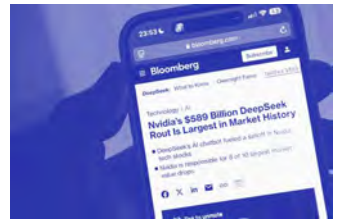
ANZ's tech chief is leaving just as banks around the world rethink who should lead AI, with JPMorgan CEO Jamie Dimon saying the function is simply too important to sit under tech.



ANDREW CORNELL · 12:05pm yesterday

### Bloomberg embraces ChatGPT for journalists in renewed AI push

Bloomberg's top editor has directed staff to embrace third-party AI platforms such as ChatGPT, taking a more liberal approach than other major newsrooms.



JOHN BUCKLEY · 5:00am yesterday

### ⚡ Elon Musk hires former X critic, relentless user as product head

6:40am today

⚡ **Google strikes first fusion power deal with Commonwealth Fusion Systems**

12:20am today

⚡ **Canada rescinds digital services tax to restart US trade talks**

2:46pm yesterday

⚡ **Tetratherix shares trade 7% higher after \$25m IPO**

12:18pm yesterday

⚡ **DroneShield shares retreat on new Latin America contract**

10:00am yesterday

[About](#)

[Careers](#)

[Help and contacts](#)

[Terms and privacy](#)

[Advertise](#)

[Group subscriptions](#)

[News tips](#)

© 2025 Capital Brief Pty Ltd

# CAPITAL BRIEF

20

## Top NRF exec resigns, as the \$15b fund grapples with audit findings

The National Reconstruction Fund Corporation's C-Suite is changing, with its chief people office departing and a new chief risk officer appointed.



BRONWEN CLUNE

5:00am today



*Industry minister Tim Ayres. AAP Image/Mick Tsikas*

**T**he **National Reconstruction Fund's** most senior human resources executive has resigned, as the \$15 billion government organisation deals with an investigation into whistleblower allegations and the fallout from a public audit which revealed several operational lapses.

In an email to staff on Wednesday viewed by *Capital Brief*, NRF chief executive **David Gall** confirmed chief people officer **Fiona McLean** was leaving to "pursue other opportunities".



In the email, Gall said McLean's departure would trigger an external recruitment process, though he welcomed internal candidates to express interest in the role.

Gall emphasised that "People and Culture is an extremely important part of the NRF" and pledged continued efforts to implement "best practice processes and policies."

The NRF confirmed McLean's resignation and said: "We wish her well."

*Capital Brief* does not suggest McLean's resignation is related to the whistleblower investigation or the findings of the audit. Only that it has occurred at a time when the NRF is grappling with both issues.

McLean was one of the first hires for the NRF, having worked there since the early days of its setup. Her departure coincides with the agency this week welcoming its first chief risk officer, **Nicholas Mant**. "Nicholas brings a strong track record to the job and will further bolster our capabilities around governance and risk management," a spokesperson said

These changes come as the organisation continues efforts to establish fundamental HR frameworks nearly a year after key governance policies were expected to be in place.

*Capital Brief* this week reported that the Australian National Audit Office had released its first performance report for the NRF and found that its governance arrangements were "largely sound".

But the ANAO also rebuked the NRF for several missteps, including failing to adopt a formal financial strategy and for not obtaining conflict of interest disclosures from its external investment advisers.



Last month, *Capital Brief* revealed that the NRF was being investigated over possible misconduct following a whistleblower complaint alleging governance failures and ongoing workplace culture issues.

The investigation is being carried out by law firm **Clayton Utz** and accounting firm **KPMG**, with oversight from the Commonwealth Ombudsman under Australia's whistleblower protection laws.

Industry Minister **Tim Ayres** has pledged to "look under the bonnet" of the NRF, and this week said he would ensure it delivers on its mandate.

The ANAO audit found that 39 of the NRF's corporate policies and related documents remained outstanding as of June 2024. This included critical HR guidelines such as sexual harassment policies, employment screening procedures, and remote working frameworks.

The audit identified "poor procurement and recruitment oversight" as a key concern and noted "delays and poor record-keeping in establishing key governance frameworks."

The NRF has also spent heavily on external recruitment and contractor services, the audit shows. The agency allocated \$1,052,545 to 20 recruitment firms in the current financial year through February, while contractor expenses reached \$1,597,696 across six firms, with Executive Interim Management receiving the largest payment of \$1,482,365.

These significant outlays occurred even as the audit noted that the NRF was making investments prior to fully establishing its asset management function, with recruitment for key positions still underway as at March 2025.

The agency's corporate policies "continue to be in progress as at March 2025," according to the audit findings.

The NRF has agreed to implement all seven audit recommendations, including establishing comprehensive governance frameworks and improving oversight of performance reporting.

The NRF is a flagship initiative of the Albanese government, with a \$15 billion war chest to invest in companies rebuilding Australia's industrial base.

It has invested in several prominent startups including **Harrison.ai**, **Quantum Brilliance** and **PolyActiva**.



TOPICS: [NATIONAL RECONSTRUCTION FUND](#)

## More from Capital Brief

NEWSLETTER   STANDUP

### Trump unveils Vietnam tariff agreement, teases India next

Plus: NRF's top HR executive exits amid whistleblower investigation, audit; UK markets tumble as Starmer sidesteps questions on chancellor's future; Microsoft to cut 4% of workforce.

PAIGE MCNAMEE and PAULINA DURÁN · 6:05am today



### OpenAI's Australian lobbying machine takes shape with Kate Pounder hire



Former Tech Council of Australia CEO Kate Pounder has been tapped by OpenAI for local policy work as the AI giant looks to expand its presence in Australia.

DANIEL VAN BOOM · 5:00am today

NEWSLETTER THE EDITION

## Big beautiful bet

In the political bubble, Prime Minister Anthony Albanese's ability to strike a trade deal with US President Donald Trump has been framed as a huge test. But economists are far less concerned.



FINN MCHUGH · 4:55pm yesterday

- ⚡ **AMP to defend two new class actions**  
24 minutes ago
- ⚡ **Pro Medicus secures \$190m in US contracts**  
33 minutes ago
- ⚡ **AUSTRAC orders external audit of Western Union Financial Services**  
45 minutes ago
- ⚡ **Metrics completes acquisition of Taurus and BC Invest**  
58 minutes ago
- ⚡ **NWH Holdings secures \$167m contract with Rio Tinto**  
9:16am today

[About](#)

[Careers](#)

[Help and contacts](#)

[Terms and privacy](#)

[Advertise](#)

[Group subscriptions](#)

[News tips](#)

© 2025 Capital Brief Pty Ltd

BRIEFING   OPPOSITION CONCERNS

# Coalition seeks auditor-general briefing after NRF invested \$436m without a strategy

1:19pm yesterday



**The news:** Shadow minister for Industry and Innovation Alex Hawke has requested a briefing from the auditor-general after an audit found that \$436 million worth of deals had been signed through the National Reconstruction Fund without a formal financial strategy.

**The context:** An audit report released by the Australian National Audit Office last week said the National Reconstruction Fund Corporation (NRF) is “yet to develop a financial strategy” and “did not obtain conflict of interest declarations and confidentiality agreements from suppliers who assisted with investment due diligence”.

However, the audit office described the corporation’s governance as “largely sound”.

The NRF has accepted all seven audit recommendations but has disputed the characterisations that it lacked adequate strategic frameworks.

The release from Hawke referenced recent revelations first published by *Capital Brief* that the Commonwealth Ombudsman is overseeing an investigation into whistleblower complaints at the NRF.

**What they said:** Hawke said in a statement on Tuesday that “it’s deeply concerning that hundreds of millions of dollars in taxpayer funds have been splashed around without there being an investment strategy in place”.

“The NRF should be transparent about its processes given the huge taxpayer funds that Labor have funnelled into it.

“The Coalition remains concerned with the powers granted to the Minister under the National Reconstruction Fund Corporation Act. On behalf of the Coalition, I have requested a briefing from the Auditor-General.”

**The source:** Shadow minister for Industry and Innovation Alex Hawke media release



TOPICS: [NATIONAL RECONSTRUCTION FUND](#), [AUSTRALIAN POLITICS](#), [DEEP TECH](#), [FINANCIAL SERVICES](#), [VENTURE CAPITAL](#)



### Sign up to Political Capital

A twice-weekly newsletter that takes you inside the corridors of power. It's what Canberra is reading.

Email

Sign up

☒ Let me know about offers and insider updates.

Your email address will be stored in accordance with our [privacy policy](#).

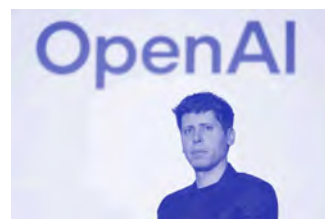
## More in Technology and startups

NEWSLETTER THE EDITION

### OpenAI season

OpenAI is stepping up its lobbying in Australia, urging rapid AI rollout as ministers weigh the potential economic upside against local risks.

DANIEL VAN BOOM • 5:09pm yesterday



### Palmer Luckey's Anduril splashes \$50 million on facilities as it expands in Australia



The defence tech startup's Australian entity posted a \$10 million profit — though that was made possible by \$56 million in sales to its US-based parent company.

DANIEL VAN BOOM · 5:00am yesterday

## Audit reveals the NRF has no financial strategy despite \$436m in deals



The Albanese's flagship reconstruction fund has been rebuked for lacking a formal financial strategy and for other lapses, though its governance is "largely sound".

BRONWEN CLUNE · 30 June 2025

### ⚡ US Senate passes Trump 'big, beautiful' tax and spending bill

10:18pm yesterday

### ⚡ Mesoblast shares surge as FDA aligns on plans for heart failure treatment

11:37am yesterday

### ⚡ Objective Corporation to acquire NZ-based govtech rival Isovist

10:15am yesterday

### ⚡ Meta's Zuckerberg launches 'superintelligence labs' unit

8:52am yesterday

### ⚡ Elon Musk hires former X critic, relentless user as product head

6:40am yesterday

## More in Banking and Finance





# Priests, nuns and RSL clubs: Meet private credit's unlikely investors

Fashion brands, religious groups, pie shops, charities and RSL clubs are parking millions of dollars in private credit vehicles run by the market's biggest mangers.

JASSMYN GOH and JACK DERWIN · 5:00am today

# APRA rules out following the US Fed in easing bank capital levels

APRA introduces a new operational risk standard but says it still sees uncertainty in global markets and has no plans to follow the US Fed in letting banks lower capital

ANDREW CORNELL · 6:01am yesterday



NEWSLETTER CAPITAL GAINS

# The hottest gig in banking

ANZ's tech chief is leaving just as banks around the world rethink who should lead AI, with JPMorgan CEO Jamie Dimon saying the function is simply too important to sit under tech.

ANDREW CORNELL · 30 June 2025



## ⚡ Standard Chartered hit with US\$2.7b lawsuit over its role in 1MDB scandal

7:32pm yesterday

## ⚡ Metrics managing partner Graham McNamara to retire

3:38pm yesterday

## ⚡ HMC Capital is biggest ASX 200 loser as energy transition boss Angela Karl leaves

9:47am yesterday

⚡ **IAG lifts profit outlook as natural disaster costs fall  
\$200m short**

9:18am yesterday

⚡ **Insignia Financial shares soar as CC Capital reiterates  
takeover interest**

8:50am yesterday

[About](#)

[Careers](#)

[Help and contacts](#)

[Terms and privacy](#)

[Advertise](#)

[Group subscriptions](#)

[News tips](#)

© 2025 Capital Brief Pty Ltd

# CAPITAL BRIEF

20

## Tim Ayres is focused on fixing the NRF after a public audit revealed strategy lapses

The industry minister defended the National Reconstruction Fund after the opposition called its lack of a formal investment strategy “deeply concerning”.



BRONWEN CLUNE and ANTHONY GALLOWAY

5:00am today



*Industry Minister Tim Ayres has defended the National Reconstruction Fund's investment processes. Supplied.*

**I**ndustry Minister **Tim Ayres** has pledged to ensure the National Reconstruction Fund is delivering on its mandate after revelations the \$15 billion fund deployed hundreds of millions in taxpayer funds without adopting formal investment or financial strategies.

*Capital Brief* this week reported that the Australian National Audit Office had released its first performance report for the NRF and found that its governance arrangements were "largely sound". But the ANAO also rebuked the NRF for several missteps, including failing to adopt a formal financial strategy and for not obtaining conflict of interest disclosures from its external investment advisers.

Shadow Industry Minister Alex Hawke on Tuesday seized on the news, saying it was "deeply concerning that hundreds of millions of dollars in taxpayer funds have been splashed around without there being an investment strategy in place" and requesting a meeting with the auditor-general to obtain more detail.

Ayres' spokesperson said the minister was continuing to engage with NRF "and is focused on ensuring the organisation is effectively delivering on its mandate".

The spokesperson said the NRF's investment mandate provided "very strong guidance" and that investment policies had been published since May 2024 as required by legislation.

"The Albanese government was elected with a commitment to transform Australian industry and reinvigorate domestic manufacturing to produce world-class goods locally," Ayers' spokesperson said.

"Instead of focusing on the national interest, the Coalition is focused on opposing the NRFC and opposing investment in Australian businesses and manufacturing, the creation of quality jobs, and the strengthening of industrial capability and supply chain resilience."

In an interview with *Capital Brief* last month, Ayres said he was "looking under the bonnet" of the NRF to ensure it was fulfilling its investment made.

The ANAO report revealed the fund deployed \$407 million across eight projects announced before the 2025 election, despite lacking formal strategic frameworks. Since November, the NRF has invested in companies including tech startups such as **Harrison.ai**, **QuantumBrilliance** and **QuintessenceLabs**.

Capital Brief revealed last month that the NRF was facing a Public Interest Disclosures Investigation led by law firm **Clayton Utz** and **KPMG**, with oversight from the Commonwealth Ombudsman under Australia's whistleblower protection laws.

It followed a whistleblower complaint alleging governance failures and ongoing workplace culture issues.



TOPICS: [NATIONAL RECONSTRUCTION FUND](#), [AUSTRALIAN POLITICS](#)

## More in Politics

NEWSLETTER POLITICAL CAPITAL

### China first

As Anthony Albanese prepares for a fourth meeting with Xi Jinping, his long-awaited first handshake with Donald Trump is still out of reach.

ANTHONY GALLOWAY and FINN MCHUGH · 11:19am yesterday



# Audit reveals the NRF has no financial strategy despite \$436m in deals



The Albanese's flagship reconstruction fund has been rebuked for lacking a formal financial strategy and for other lapses, though its governance is "largely sound".

BRONWEN CLUNE · 30 June 2025

NEWSLETTER THE EDITION

## Be my guest

Jim Chalmers has opened invitations to his economic reform roundtable, but the absence of tech voices raises questions about the path to productivity.



JENNIFER DUKE · 27 June 2025

- ⚡ **Wong says defence budget not raised in Rubio meeting, AUKUS and Albanese-Trump meeting discussed**  
8:29am today
- ⚡ **US manufacturing shrinks for fourth month in June**  
12:57am today
- ⚡ **US Senate passes Trump 'big, beautiful' tax and spending bill**  
10:18pm yesterday
- ⚡ **Trump threatens Tesla subsidies as Musk attacks President's tax bill**  
9:08pm yesterday
- ⚡ **ACTU backs indexation of \$3m super tax threshold but no urgent need**  
3:25pm yesterday

[About](#)

[Careers](#)

[Help and contacts](#)

[Terms and privacy](#)

[Advertise](#)

[Group subscriptions](#)

[News tips](#)

© 2025 Capital Brief Pty Ltd



# CAPITAL BRIEF

[Team access](#)

NEWSLETTER   [THE EDITION](#)

## Reconstructive criticism

The National Reconstruction Fund is set to play an enormous role in the innovation ecosystem and the future of the Australian economy. Despite its worthy goals, it deserves serious scrutiny.



[JOHN MCDULING](#)

4:58pm yesterday



*Whistleblower claims have prompted an investigation into the National Reconstruction Fund's operations, with oversight from the Commonwealth Ombudsman. AAP Image / Mick Tsikas.*

Just one week ago, new Industry Minister **Tim Ayres** used an interview with *Capital Brief* to flag plans to remodel one of the Albanese government's signature initiatives: the \$15 billion National Reconstruction Fund.

Ayres, a respected member of Prime Minister **Anthony Albanese's** inner circle, told our chief political correspondent Anthony Galloway he was "very focused on the operations of that fund" and wanted to accelerate its investment in innovation.

"I am, of course, as a new minister, looking under the bonnet and keen to make sure that in the most aggressive way that we can, that we're moving in with new investments in Australian manufacturing capability," he said.

This morning, our startups and VC correspondent Bronwen Clune broke the news that the NRF is now subject to an investigation by **Clayton Utz** and **KPMG**, with oversight from the Commonwealth Ombudsman, following whistleblower allegations about its governance and internal culture.

There is no suggestion by *Capital Brief* that the allegations are true — only that an investigation has been launched and is being taken seriously by the NRF's leadership.

We can't be sure whether Ayres was referring to any of this in our earlier interview — he declined to comment on today's story, citing the ongoing investigation. The NRF has also been unable to comment for legal reasons.

Nevertheless, the news adds another layer of intrigue to an institution set to play a critical role in the future of the Australian economy.

*Capital Brief* last year reported on the NRF's slow start and criticism over the black-box nature of securing investment from it. Those issues appear to have been rectified — the NRF has now deployed nearly half a billion dollars into nine companies, including some of the startup sector's brightest stars: **Harrison.ai**, **Quantum Brilliance** and ASX-listed explorer **Arafura Rare Earths**. It could continue investing at that pace for decades to come.

Some will quibble with the idea of a public entity 'picking winners' and potentially crowding out private capital. On the other hand, few with a serious interest in the future of the Australian economy would deny that the areas the NRF is backing need more capital — from quantum technologies to climate solutions and the energy transition.

That point was underscored in another *Capital Brief* exclusive last night. As Jack Derwin revealed, pipeline owner **APA Group** is walking

away from the tender process for two massive, multi-billion-dollar clean energy projects, redirecting its focus to its core gas infrastructure business, which it believes will deliver better returns.

Moves like that in the private sector only strengthen the case for public investment to transform the economy. But that doesn't mean entities like the NRF should be free from scrutiny.

## New from our reporters

As mentioned above, APA Group has quietly withdrawn from two major electricity transmission tenders — the New England Renewable Energy Zone and the VNI West project — in a marked pivot back to its core gas business. Jack Derwin reported that the \$11 billion infrastructure company had previously touted electricity transmission as part of its energy transition strategy but now sees more value and lower risk in gas. This move underscores a broader reassessment of investment appetite in long-horizon, capital-intensive power projects, even as APA continues to service miners and export markets with gas and renewables.

Anthony Albanese flew to Canada aiming to press **Donald Trump** on AUKUS and trade tariffs — but the long-planned meeting was abruptly derailed when Trump left the G7 summit early amid rising Middle East tensions. In today's *Political Capital* newsletter, Anthony Galloway and Finn McHugh wrote that the no-show underscores the volatility of dealing with Trump and casts doubt on Australia's ability to secure commitments on critical defence matters like the \$368 billion submarine program. Albanese's 'low-key' approach to Trump had so far avoided diplomatic pitfalls — but the failed meeting raises questions about how much longer Australia can rely on quiet diplomacy.

NAB is shutting down its long-standing Advantedge white label mortgage platform, impacting more than 50,000 customers and triggering backlash from mortgage brokers and aggregators, Andrew Cornell reported. The bank cites outdated technology and limited features as key reasons for the closure, with customers set to be migrated to NAB-branded loans beginning in late 2025. While NAB frames the move as a service upgrade, brokers argue it undermines customer choice and could strain relationships with the third-party channel.

Paramount has entered early talks to renew its \$200 million broadcast and streaming deal for the A-Leagues, which expires after the 2025–26 season, John Buckley reported. The five-year agreement has been central to Paramount’s Australian market strategy, granting it rights across both Network 10 and Paramount+. Foxtel, now owned by DAZN, is also weighing a bid. While other broadcasters like Nine aren’t currently in the frame, the rights are becoming a key battleground.

## Ideas

Venture capital firms in Australia are racing against a fast-approaching deadline to deploy nearly \$3.6 billion in dry powder raised during the zero-interest-rate period of 2020–2022. As **Mighty Partners** managing director **Kal Jamshidi** explains, the economics of the standard 10-year VC fund model mean that funds failing to invest by the end of 2025 risk a sharp drop in management fees. This pressure is expected to spark a wave of late-stage funding rounds — but with limited local exit options and no Big Tech acquirers, much of this capital is likely to drive Australian tech companies offshore, potentially weakening the local ecosystem’s ability to compound talent and capital over the long term.

## In brief

The benchmark ASX 200 fell by 0.08% to end at 8541.3.

The Bank of Japan kept the cash rate steady at 0.5%.

Liberal luminaries Nick Minchin and Pru Goward will lead a review into the party's election defeat.

The US FDA approved CSL's treatment for hereditary angioedema.

Betr's shares fell after it reaffirmed its commitment to acquiring PointsBet.

## What we're reading elsewhere

- Trump Struggles to Press Deportations Without Damaging the Economy (WSJ)
- Meta Agreed to Pay Up For Scale AI But Then Wanted More for Its Money (The Information)
- Where Is Israel's Operation Heading? (BBC)
- A.I. Is Poised to Rewrite History. Literally. (The New York Times)

## Verbatim

*It is the worst experience I've ever faced buying a consumer electronic product and I have no idea whether or how I'll receive the phone.*



– 404 Media's Joseph Cox describes his botched attempt to preorder the so-called Trump Phone.



TOPICS: [AUSTRALIAN POLITICS](#), [THE EDITION](#)

## More in Politics

### Corporate America is upset about Australia's 'virtually impossible' tax regime

A US lobby group representing multi-nationals including Amazon and Meta says Australian tax rules are becoming harder to navigate, discouraging global companies from investing.

JENNIFER DUKE · 5:00am today



### The Coalition wants answers on the 'deeply concerning' NRF probe

Shadow Minister Alex Hawke has demanded the government address governance issues at the \$15 billion NRFC following revelations of an investigation into whistleblower claims.

BRONWEN CLUNE · 9:00pm yesterday





# Trump ghosts Albo

Anthony Albanese came to Canada ready to talk tariffs and submarines. But Donald Trump skipped town to deal with the turmoil in the Middle East instead.

ANTHONY GALLOWAY and FINN MCHUGH · 12:23pm yesterday

- ⚡ **Chalmers says nearly 2,000 Australians seeking help to leave Israel, Iran**  
23 minutes ago
- ⚡ **Trump demands 'unconditional surrender' from Iran**  
4:50am today
- ⚡ **Global environment is the main force shaping economic decisions: Chalmers**  
10:30pm yesterday
- ⚡ **Government offers extra \$30m in financing for Rex as 'sale progressing positively'**  
10:27pm yesterday
- ⚡ **Trump denies that he has approached Iran for peace talks**  
9:03pm yesterday



[About](#)

[Careers](#)

[Help and contacts](#)

[Terms and privacy](#)

[Advertise](#)

[Group subscriptions](#)

[News tips](#)

© 2025 Capital Brief Pty Ltd

# The Coalition wants answers on the 'deeply concerning' NRF probe

Shadow Minister Alex Hawke has demanded the government address governance issues at the \$15 billion NRFC following revelations of an investigation into whistleblower claims.



BRONWEN CLUNE

9:00pm yesterday



*Shadow Minister for Industry and Innovation Alex Hawke says the NRFC investigation adds to a long list of governance issues. AAP/Lukas Coch.*

**T**he federal opposition has seized on revelations of an investigation into potential misconduct at the National Reconstruction Fund and called for new Industry Minister **Tim Ayres** to explain what steps he has taken to address governance issues at \$15 billion organisation.

Shadow Minister for Industry and Innovation **Alex Hawke** told *Capital Brief* the news that the NRF was facing an investigation following whistleblower allegations added to a "long list of governance issues" with the embattled fund and demanded immediate action to improve oversight.

"Reports that Labor's \$15 billion industry fund is under formal investigation are deeply concerning," Hawke said.

"Allegations of misconduct by the NRF continue to undermine confidence in the operation of the Fund at a time when Australia is facing significant productivity challenges, steep manufacturing insolvencies and ongoing skills shortages."

*Capital Brief* revealed this week that a Public Interest Disclosures Investigation led by law firm **Clayton Utz** and **KPMG** is examining anonymous allegations of workplace culture issues and governance failures at the fund, with oversight from the Commonwealth Ombudsman.

The investigation has already conducted eleven witness interviews, with investigators determining some allegations warrant further examination to determine whether "serious disclosable conduct" has occurred.

*Capital Brief* does not suggest the allegations are true, only that an investigation is underway and NRF leadership is taking the matter seriously.

The allegations detailed in confidential communications with the NRF board include claims that freedom of information requests were mishandled, that millions of dollars were spent on external recruitment agencies without proper procurement processes, and that roles were filled without being properly advertised externally.

turnover and low morale, with employee concerns ignored in the past.

Hawke claimed the Coalition had "consistently raised the alarm" about the NRF's operations, including "opaque application processes, sham board meetings and the slow rollout of funds".

"Given the significant taxpayer funds attached to the NRF, new Industry Minister Senator Ayres must explain what steps he has taken to assure himself this matter is being dealt with appropriately and what immediate actions he will take to improve governance of the Fund," he said.

Ayres declined to comment on the investigation through a spokesperson, who said: "The Minister cannot comment on an ongoing public interest disclosure investigation."

Public interest disclosure investigations are conducted in private under Australia's whistleblower protection laws, which require confidentiality to protect the integrity of the process and the anonymity of complainants.

"The Minister is working very closely with the Board and Executive of the NRFC to drive investment in the diversification of Australia's industry and economy," the spokesperson added.

The investigation deadline has been extended until 19 July following a request for more time from the National Reconstruction Fund Corporation.

The fund, established in 2023 as a flagship policy of the Albanese government, aims to support key sectors including resources, transport, medical science, renewables and agriculture through

commercial financing including debt, equity investments and guarantees.

Despite a slow start with no deals in its first 14 months, the NRF said earlier this month it was on track to meet its \$550 million investment target by June, with nine investments totalling \$436 million announced since November.



TOPICS: [STARTUPS](#), [AUSTRALIAN POLITICS](#)



### Sign up to Sweat Equity

A weekly newsletter that tracks the pulse of startups, VC and tech.

[Read the latest](#)

## More in Technology and startups

### How a text from Cliff Obrecht sealed Canva's purchase of Sydney's MagicBrief



George Howes was at the airport en route to the UK when an unexpected WhatsApp appeared. Hours later he'd agreed to sell his startup.

DANIEL VAN BOOM • 5:00am today



## Labor's \$15b NRF under investigation following whistleblower allegations

Clayton Utz and KPMG have been brought in to investigate the Albanese government's flagship manufacturing fund following anonymous allegations of workplace issues.

BRONWEN CLUNE · 5:30am yesterday

## End of the line for NAB's white label mortgage platform

NAB is shutting down its long-running mortgage platform Advantedge, prompting backlash from brokers and a major shift for over 50,000 customers.



ANDREW CORNELL · 5:00am yesterday

⚡ **Musk's xAI seeks US\$4.3b in new equity funding: Bloomberg**  
3:12am today

⚡ **Dubber rallies after suing auditors BDO**  
10:50am yesterday

⚡ **Clarity Pharmaceuticals prepares to ramp up manufacturing under new deal**  
10:22am yesterday

⚡ **FDA approves CSL's treatment for hereditary angioedema**  
9:41am yesterday

⚡ **DigiCo Infrastructure REIT announces 10.90 cent distribution**  
9:10am yesterday

## More in Politics

### Corporate America is upset about Australia's 'virtually impossible' tax regime



A US lobby group representing multi-nationals including Amazon and Meta says Australian tax rules are becoming harder to navigate, discouraging global companies from investing.

JENNIFER DUKE · 5:00am today

NEWSLETTER THE EDITION

### Reconstructive criticism

The National Reconstruction Fund is set to play an enormous role in the innovation ecosystem and the future of the Australian economy. Despite its worthy goals, it deserves serious scrutiny.



JOHN MCDULING · 4:58pm yesterday

NEWSLETTER POLITICAL CAPITAL

### Trump ghosts Albo

Anthony Albanese came to Canada ready to talk tariffs and submarines. But Donald Trump skipped town to deal with the turmoil in the Middle East instead.



ANTHONY GALLOWAY and FINN MCHUGH · 12:23pm yesterday

### ⚡ Chalmers says nearly 2,000 Australians seeking help to leave Israel, Iran

24 minutes ago



⚡ **Trump demands 'unconditional surrender' from Iran**

4:50am today

⚡ **Global environment is the main force shaping economic decisions: Chalmers**

10:30pm yesterday

⚡ **Government offers extra \$30m in financing for Rex as 'sale progressing positively'**

10:27pm yesterday

⚡ **Trump denies that he has approached Iran for peace talks**

9:03pm yesterday

[About](#)

[Careers](#)

[Help and contacts](#)

[Terms and privacy](#)

[Advertise](#)

[Group subscriptions](#)

[News tips](#)

© 2025 Capital Brief Pty Ltd

# Union boss appointed to \$15b government fund board without checks



By [Olivia Ireland](#)

July 1, 2025 — 12.03pm

Prime Minister Anthony Albanese's \$15 billion fund to boost domestic manufacturing approved funding without finalising its strategy, did not obtain conflict of interest declarations from all suppliers and has a union boss on its board who received the role without due diligence checks.

The Australian National Audit Office's review of the National Reconstruction Fund Corporation found that since [its establishment in September 2023](#), the organisation had mostly functioned effectively, but one board appointment stood out.



Former industry minister Ed Husic. *CREDIT: ALEX ELLINGHAUSEN*

It concluded that the appointment of Australian Manufacturing Workers' Union president Glenn Thompson in October 2023 by then-industry minister Ed Husic did not have the checks that every other board member underwent before joining the fund.

The report casts doubt on federal Labor's commitment to ending the practice of handing political allies plum government appointments, after Finance Minister Katy Gallagher announced a review in 2023 to [end "jobs for mates" culture](#).

When the fund was created in 2023, Husic boasted it would have an "independent board making decisions in the national interest."

## RELATED ARTICLE



Exclusive  
[Venture capital](#)

### Albanese's \$15b tech fund gets ready to write first cheques

"We are making a clean break from what you saw out of the Coalition, using grants driven by political interest," Husic said.

The audit office said the design of the NRFC was "largely effective" but noted there were opportunities to improve the fund's governance and strategies. It found the board was "yet to develop a financial strategy" as of March 31 this year, and had other plans in draft format.

"A draft investment strategy and stakeholder engagement framework limit the effectiveness of the NRFC Board's fund promotion activities to achieve the performance measures it has set to deliver NRFC's performance outcomes," the report stated.

The fund had also failed to obtain conflict of interest declarations and confidentiality agreements from suppliers.

Before the audit, the fund required conflict of interest declarations for its staff and board and since the review has extended that to suppliers.

“ANAO has recommended that we also require such declarations for external experts used as part of due diligence processes. NRFC has accepted that recommendation. No conflict of this kind was identified by the audit,” a spokesperson for the fund said.

Board members were found to have been appointed appropriately, except that “due diligence checks were not documented for one member appointed to the NRFC Board in October 2023”, referring to Thompson. There is no suggestion that Thompson is not qualified for the role. He was contacted for comment.

The fund itself does not make board appointments, the Department of Industry, Science and Resources makes them.

Husic announced Thompson’s appointment in October 2023. The long-time unionist had previously been on the boards of Cbus, the Coal Mining Industry Corporation and the Construction Industry and Property Services Industry Skills Council.



Former assistant national secretary of the Australian Manufacturing Workers Union Glenn Thompson. *CREDIT: RHETT WYMAN*

Coalition spokesman for industry Alex Hawke said there were “serious concerns” about the auditor-general’s findings.

“I have requested an urgent briefing from the auditor-general and will formally raise these issues when parliament resumes,” he said.

Upon the release of the audit, the fund agreed with and began to implement all recommended changes. A spokesperson said the organisation welcomed the findings.

“Some of the areas identified for improvement have already been addressed, and others are currently being addressed,” they said.

## RELATED ARTICLE



### [Manufacturing](#)

#### Grand designs: The high-risk plan to make Australian industry great again

“While it is important to make sure we are continuously improving in these areas, as an organisation we are focused on delivering impactful investments on behalf of all Australians. We are on track to meet our investment targets and are getting on with the job.”

Husic’s successor as industry minister, Tim Ayres, a former official with the same union as Thompson, defended his former colleague’s appointment.

“Mr Thompson has experience that has been recognised by both sides of government,” a spokesperson for Ayres said. “Appointments will be made throughout the life of the corporation to suit the needs of the NRFC and their



functions. A well-balanced board with the right expertise is vital to ensuring that the NRFC can successfully fulfil its investment mandate.”

# Union leader appointed to federal government role without being shortlisted or facing ‘due diligence’ check

Glenn Thompson approached by Ed Husic before being appointed to board overseeing multimillion-dollar investments in projects

**Dan Jervis-Bardy**

Tue 1 Jul 2025 01.00 AEST

A trade union leader was appointed to the board of the federal government’s \$15bn National Reconstruction Fund despite not being shortlisted for the role or subjected to a formal “due diligence” check from private recruiters.

The circumstances surrounding the appointment of the Australian Manufacturing Workers’ Union (AMWU) national president, Glenn Thompson, to the board of Labor’s flagship fund was scrutinised in a new audit report of the fund’s establishment.

The inaugural NRF board was announced in August 2023, with the chair, Martijn Wilder, and seven other members picked to oversee multimillion-dollar investments in projects across seven government priority areas.

Two months later, the then industry minister Ed Husic and the finance minister, Katy Gallagher, announced Thompson as the ninth board member following cabinet signoff.

In a statement announcing his appointment for a four-year term, the ministers said Thompson’s “passion for job creation complements the existing expertise of the NRF board, particularly in the areas of Australian manufacturing and industrial capability”.

He joined another union figure, the former Australian Workers’ Union boss Daniel Walton, on the board, which also included the one-time Australia Post boss Ahmed Fahour and ex-federal Liberal minister Kelly O’Dwyer.

The Coalition criticised Thompson’s appointment at the time, accusing Labor of stacking the NRF with their union “mates”.

The Australian National Audit Office (ANAO) report revealed Thompson was installed in the \$63,690-a-year role after the offices of Gallagher and Husic advised their respective departments on 6 October of their “wish to appoint a specified ninth member” to the board.

Separate documents released under freedom of information showed Husic approached Thompson, who is also a director of AustralianSuper.

The audit office revealed Thompson – who was not directly named in the report – was tapped despite not being shortlisted as part of an executive search process run by NGS Global, a recruitment agency chosen to find prospective board members.

The process proceeded at speed, with Thompson appointed on 16 October – **less than a fortnight after Husic and Gallagher’s offices flagged it with their departments.**

**The audit revealed that in a brief prepared for Husic about Thompson’s board position, the industry department warned the appointment “may attract scrutiny” because of how the process was conducted.**

It referenced corporate governance principles for ASX-listed companies, **which recommended listed entities “undertake appropriate checks” before appointing a director.**

In a similar brief prepared for Gallagher, the finance department conceded **that no “formal due diligence” was conducted on Thompson’s appointment by a third-party because of “time constraints”.**

**The department did conduct a “desktop” check on Thompson after which it was satisfied his appointment “did not present a significant risk”.**

However, the in-house due diligence – which involved Google and media searches – **was not documented and the industry department’s checks were “all verbal” due to the “compressed timeframes”.**

The audit report did not rebuke the ministers, their offices or the **departments over Thompson’s appointment, although it did identify record-keeping as an “opportunity for improvement”.**

Husic was stripped of the industry portfolio after being dumped from cabinet following the election.

The portfolio now sits with Tim Ayres, a former state secretary of the AMWU – **Thompson’s union.**



## National Reconstruction Fund Corporation timeline

Date	Category	Deliverable	Details and links
October 2022	Budget 2022-23	Confirmed NRF election commitment in 2022-23 October Budget	<a href="#">National Reconstruction Fund – establishment</a> (BP2, page 153)
30 November 2022	Legislation (Act)	NRFC Bill <b>introduced</b> to Parliament	NRF Corporation Bill introduced to Parliament and read for first time
29 March 2023	Legislation (Act)	NRFC Bill <b>passed</b> HoR and Senate.	NRF Corporation Bill passed House of Representative and Senate. Bill passed after third reading.
11 April 2023	Legislation (Act)	NRFC Act <b>receives Royal Assent</b> .	<a href="#">National Reconstruction Fund Corporation Act 2023</a>
May 2023	Budget 2023-24	Finalised NRFC establishment details in 2023-24 Budget	<a href="#">National Reconstruction Fund Corporation – establishment</a> (BP2, page 165)
May 2023	Consultation	NRF Reference Group consulted on Investment Mandate	
6 June 2023	Legislation (PAD)	NRF Priority Areas instrument <b>registered</b>	<a href="#">National Reconstruction Fund Corporation (Priority Areas) Declaration 2023</a>
13 June 2023	Legislation (PAD)	NRF Priority Areas instrument <b>tabled</b> in Parliament	The Priority Areas Declaration is a disallowable instrument, it was subject to a disallowance period of 15 sitting days after being tabled. The disallowance period ended in Senate on 10 August 2023 and in House of Representatives on 4 September 2023.

Date	Category	Deliverable	Details and links
9 August 2023	Appointments	NRFC Board and Chair announced.	<p>Chair:</p> <ul style="list-style-type: none"> <li>Martijn Wilder AM (4 years)</li> </ul> <p>Board Members:</p> <ul style="list-style-type: none"> <li>Ahmed Fahour AO (3 years)</li> <li>Dr Katharine Giles (4 years)</li> <li>The Hon Kelly O'Dwyer (4 years)</li> <li>Daniel Petre AO (3 years)</li> <li>Kathryn Presser AM (3 years)</li> <li>Karen Smith-Pomeroy (3 years)</li> <li>Daniel Walton (4 years)</li> </ul>
10 August 2023	Legislation (PAD)	NRF Priority Areas Declaration disallowance period ends in the Senate	<p>NRF Corporation (Priority Areas) Declaration 2023 disallowance period ends in the Senate.</p> <p>On this date the Priority Areas Declaration was no longer disallowable in the Senate.</p>
4 September 2023	Legislation (PAD)	NRF Priority Areas Declaration disallowance period ends in the HoR	<p>On this date the Priority Areas Declaration was no longer disallowable in the House of Representatives.</p>
18 September 2023	Legislation (Act and PAD)	NRFC Act and NRF Priority Areas Declaration commences	<p>The commencement of the Act established the Corporation and its Board.</p> <p>Board meets for the first time in Sydney.</p> <p>\$5 billion credited to National Reconstruction Fund Special Account</p>
October 2023	Legislation (IM)	Statutory Consultation with the NRFC Board on the Investment Mandate	

Date	Category	Deliverable	Details and links
20 October 2023	Appointments	Additional appointment to NRF Board	Mr Glenn Thompson announced as appointed to the NRF Corporation Board for 4 years.
29 November 2023	Legislation (IM)	NRFC Investment Mandate registered	<a href="#">National Reconstruction Fund Corporation (Investment Mandate) Direction 2023</a> Minister Husic and Minister Gallagher register the NRF Corporation Investment Mandate.
30 November 2023	Legislation (IM)	NRFC Investment Mandate tabled in Parliament	The NRF Corporation Investment Mandate tabled in Parliament (both Houses) as a non-disallowable instrument.
1 February 2024	Appointments	NRFC appoints CEO	The NRF Board appoints Mr Ivan Power to lead the organisation as its inaugural Chief Executive Officer (CEO)
10 May 2024	Corporate Plan	NRFC publishes first Corporate Plan	The NRF Corporation publishes its inaugural <a href="#">Corporate Plan</a> , as per the requirements of the <i>Public Governance, Performance and Accountability Act 2013</i> to publish its first corporate plan as soon as practicable.
14 May 2024	Budget 2024-25	NRFC receives operational funding in 2024-25 Budget	<a href="#">Investing in the Future of Industry and Science</a> (BP2, pg 140)
14 June 2024	Appointments	NRFC appoints CIO	The NRF Corporation Board and CEO appoints Dr Mary Manning to the organisation as its inaugural Chief Investment Officer (CIO)
12 September 2024	Appointments	NRFC CEO departs	The NRF Corporation Chair announces that Chief Executive Officer (CEO) Mr Ivan Power has resigned as CEO.
19 November 2024	Investments	NRFC makes inaugural investments	The NRF announces a \$40 million investment in <a href="#">Russell Mineral Equipment</a> (RME), which formed part of a \$100 million investment partnership with private equity firm <a href="#">Resource Capital Funds</a> .
S 47F	Appointments	Inaugural Board member departs	Dr Katharine Giles resigns from role on the NRFC Board.

Date	Category	Deliverable	Details and links
10 December 2024	Investments	NRFC makes investment	The NRFC announces a \$13 million investment in <a href="#">Quantum Brilliance (QB)</a> as part of the company's Series A funding round.
19 December 2024	Investments	NRFC makes investment	The NRFC announces a \$25 million equity investment in <a href="#">Myriota</a> .
20 December 2024	Investments	NRFC makes investment	The NRFC announces a \$22.5 million investment in <a href="#">Vault Cloud</a> .
15 January 2025	Investments	NRFC makes investment	The NRFC announces a \$200 million investment in <a href="#">Arafura Rare Earths</a> to help finance the Nolans Project in the Northern territory.
28 January 2025	Appointments	NRFC appoints CEO	The NRFC Board announced the appointment of Mr David Gall Chief Executive Officer (CEO) of the NRFC.
29 January 2025	Investments	NRFC makes investment	The NRFC announces a \$32 million investment in <a href="#">Harrison.ai</a> .
9 March 2025	Appointments	NRFC Board member appointment	The <a href="#">Minister</a> and <a href="#">NRFC</a> announce the appointment of Ms Kellie Benda to the NRFC Board for a period of three years

QB25-000073

## INDUSTRY GROWTH PROGRAM

### Issue

Can you provide an update on the delivery of the Industry Growth Program (IGP).

### Key Talking Points

- The Industry Growth Program supports innovative startups and small and medium enterprises with high growth potential to transform and significantly scale up their business and help build Australian manufacturing capability.
- The IGP seeks to expand Australia's pipeline of emerging small and medium manufacturers, working to transform and diversify Australia's economy within the Government's priority areas for the National Reconstruction Fund.
- The program provides Advisory Services to eligible businesses delivered through a national network of expert **Advisers** and specialised sectoral advice provided by not-for-profit **Industry Partner Organisations**.
- In addition to the Advisory Service, eligible businesses may apply for matched grant funding between \$50,000 and \$5 million.
- We have already approved **more than \$114 million in grant funding to a total of 75 Australian businesses** to assist them in commercialising their innovative projects.

**Contact:** Rebecca Lannen – Branch Head, IGP Branch,  
**Cleared by:** s22 David Luchetti, Head of Division, AusIndustry  
s22

**Min ID:** QB25-000073  
**Division:** AusIndustry  
**Created:** 02 July 2025  
**Updated:** 7/11/2025 10:15 AM (date should stay in this format)

**QB25-000073**

## Background

### IGP Advisory Service Key Statistics (at 9 July 2025):

- Over **1500 businesses** are receiving IGP Advisory Services through an Adviser.
  - Of these, over 900 have received a Commercialisation and Growth Report (C&G) making them eligible to apply for an IGP Grant.
- 38 Advisers are delivering Advisory Services nationally.

### Industry Partner Organisations (IPOs)

- Six leading Australian not-for-profit industry organisations have been awarded a **total of \$10.8 million in grant funding over two years** to complement the work of IGP Advisers and provide specialised advisory services to start-ups and high-growth SMEs.
  - The IPOs are MTP-IIGC LTD (**MTPConnect**), Advanced Robotics for Manufacturing Hub Ltd (**ARM Hub**), Food and Agribusiness Network Limited (**FAN**), **Australian Hydrogen Council**, **AusBiotech** Ltd, and the Advanced Manufacturing Growth Centre (**AMGC**).
- IPO service delivery commenced in August 2024, with IGP Advisers and the department referring eligible IGP participants to IPOs as appropriate.

### IGP Grant Opportunities

- IGP grants support the translation of world-leading Australian know-how into viable businesses and supports the scale up of innovative projects to national and international markets. There are **two** grant streams:

**Contact:** Rebecca Lannen – Branch Head, IGP Branch,

**Cleared by:** <sup>s22</sup> David Luchetti, Head of Division, AusIndustry

<sup>s22</sup>

**Min ID:** QB25-000073

**Division:** AusIndustry

**Created:** 02 July 2025

**Updated:** 7/11/2025 10:15:00 AM

**QB25-000073**

- **Early-Stage Commercialisation** grants from \$50,000 to \$250,000 to help establish the commercial viability of an innovative product, process, or service.
- **Commercialisation and Growth** grants from \$100,000 to \$5 million to help push ideas from prototyping through to market readiness stages.
- Once the Advisory Service has been completed and the Commercialisation and Growth report has been received, eligible businesses can submit a grant application at any time while the program is open.

### **IGP Grants Administration**

- Eligible applications are provided to the IGP Committee, an independent assessment committee under the Industry Innovation and Science Australia Board, to merit assess IGP grant applications and make recommendations to the Program Delegate on which projects to fund.

**Contact:** Rebecca Lannen – Branch Head, IGP Branch,

**Cleared by:** s22 David Luchetti, Head of Division, AusIndustry

s22

**Min ID:** QB25-000073

**Division:** AusIndustry

**Created:** 02 July 2025

**Updated:** 7/11/2025 10:15:00 AM

QB25-000075

## RESEARCH & DEVELOPMENT

### Issue

How is the Government supporting research and development (R&D)?

### Key Talking Points

- R&D is important in supporting Australia's national wellbeing and ensuring our economic prosperity.
- Government investment in R&D has a role to play in driving up Australia's overall R&D investment, supporting businesses to devise new ways to get things done, improving how businesses work, and opening new market opportunities.
- In 2025-26, the Government is forecast to invest over \$14.4 billion in R&D across all sectors.
- The Government is investing in priority industries which will support an uplift in R&D investment over the longer term.
- These include: the Future Made in Australia Innovation Fund; funding for PsiQuantum Pty Ltd to build a commercial scale quantum computer; the Powering Australia Industry Growth Centre; and the Future Battery Industries Cooperative Research Centre.

Contact: s22, Manager, Business R&D Policy s22

Cleared by: Matthew Crawshaw, General Manager, s22

Min ID: QB25-000075

Division: Commercialisation

Created: 02 July 2025

Updated: 7/14/2025 9:32 AM (date should stay in this format)



**QB25-000075**

- To build on these investments, the Government has commissioned a Strategic Examination of Australia's R&D system.
- The Strategic Examination is led by an independent panel (the Panel), chaired by Ms Robyn Denholm and members Dr Kate Cornick, Prof. Fiona Wood and Emeritus Prof. Ian Chubb.
- The Panel received almost 500 submissions to the Strategic Examination's discussion paper released in February 2025.
- Like the Panel, the Government appreciates the input and engagement from stakeholders across the system to the Strategic Examination.
- It is important that Australia gets more value from our investments in research, and we must leverage our scientific strengths to address national priorities and foster new industries. It is clear that this view is shared by many.
- A common thread within the submissions is evident: R&D is a long-term endeavour that needs consistency of policy, and patient capital.
- It is no longer enough to be good at research - we must create value from our research investments and pull knowledge through to impact.

Contact: s22, Manager, Business R&D Policy, s22

Cleared by: Matthew Crawshaw, General Manager, s22

Min ID: QB25-000075  
Division: Commercialisation  
Created: 02 July 2025  
Updated: 7/14/2025 9:32:00 AM

**QB25-000075**

- I thank the Panel for their work so far, and for sharing the insights and key messages that they will focus on as they prepare their advice to Government.
- I look forward to receiving their advice later this year.

**Contact:** s22, Manager, Business R&D Policy, s22

**Cleared by:** Matthew Crawshaw, General Manager, s22

**Min ID:** QB25-000075  
**Division:** Commercialisation  
**Created:** 02 July 2025  
**Updated:** 7/14/2025 9:32:00 AM

**QB25-000075**

## Background

- As a share of GDP, Australia's gross R&D expenditure (including business, government, and higher education sectors) was estimated at 1.68 per cent in 2021-22, below the 2.71 per cent OECD average.
- Australia's R&D intensity has fallen from a peak of 2.25 per cent of GDP in 2008-09 to 1.68 per cent of GDP in 2021-22, driven by a decline in business R&D intensity from 1.37 per cent of GDP to 0.89 per cent of GDP over the same period.

## ***Strategic Examination of R&D***

- Across submissions and roundtables, the predominant vision for a reformed Australian R&D system is one that is cohesive, dynamic and impactful, supporting the entire research and innovation pipeline from foundational discovery to commercialisation and system-wide translation.
- This vision is supported by distinct but coordinated funding mechanisms, a whole of government approach, a focus on nationally strategic research, enhanced industry-academic collaboration and increased public and private R&D investment.
- There is widespread agreement from the submissions on the need for mission-oriented research that aligns with national priorities such as clean energy, climate resilience, and medical technologies.
- All stakeholder groups advocated promotion of collaboration across government, academia, and industry.

Contact: s22, Manager, Business R&D Policy, s22

Cleared by: Matthew Crawshaw, General Manager, s22

Min ID: QB25-000075  
Division: Commercialisation  
Created: 02 July 2025  
Updated: 7/14/2025 9:32:00 AM

OFFICIAL

**QB25-000075**

- A substantial number of submissions from across the research, business, and policy sectors emphasise the need for improved commercialisation strategies.
- Stakeholder groups agree there are challenges to building, attracting and retaining a skilled workforce across the R&D ecosystem. There was also support across all stakeholder groups for promoting diversity in STEM and R&D roles, ensuring equitable access for underrepresented groups.
- The Panel will deliver advice to Government by the end of 2025.

***Science, Research and Innovation (SRI) Budget Tables***

- The SRI Budget Tables, published on 18 October 2024, forecast Australian Government spending on R&D to be 0.52 per cent of GDP in 2024–25.
  - The SRI Budget Tables focus on direct Australian Government R&D expenditure and industry R&D tax measures, including the R&D Tax Incentive.
- The SRI Budget Tables estimated the 2025-26 cost of the R&D Tax Incentive to be \$4.4 billion – a 2.4 per cent annual increase.

***The R&D Tax Incentive***

- The R&D Tax Incentive offers a tax offset premium (over the prevailing company tax rate) for companies undertaking up to \$150 million of eligible R&D expenditure per annum:
  - A refundable tax offset premium of 18.5 per cent on R&D expenditure for companies with less than \$20 million turnover.

Contact: s22, Manager, Business R&D Policy, s22

Cleared by: Matthew Crawshaw, General Manager s22

Min ID: QB25-000075  
Division: Commercialisation  
Created: 02 July 2025  
Updated: 7/14/2025 9:32:00 AM

**QB25-000075**

- A non-refundable offset premium of at least 8.5 per cent on R&D expenditure for companies with a turnover of \$20 million or more, with a more generous premium of 16.5 per cent on R&D expenditure exceeding two per cent of total business expenses.
- On 3 October 2024, the ATO published its first R&D tax transparency report; it lists companies which claimed the R&D Tax Incentive in 2021-22. The report shows that more than 11,000 companies spent more than \$11 billion on R&D in 2021-22.

***If asked: Is the Government still excluding gambling and tobacco research and development from the RDTI from 1 July 2025?***

- Yes, legislation is being developed to give effect to these exclusions announced in MYEFO 2024-25. Exclusions will apply to activities undertaken from 1 July 2025.
- Activities that are solely for the purpose of harm reduction, such as reducing addiction, will remain eligible to receive support.

Contact: s22, Manager, Business R&D Policy, s22

Cleared by: Matthew Crawshaw, General Manager, s22

Min ID: QB25-000075  
Division: Commercialisation  
Created: 02 July 2025  
Updated: 7/14/2025 9:32:00 AM

**QB25-000136**

## **FUTURE MADE IN AUSTRALIA**

### **Issue**

Under the *Future Made in Australia Act 2024*, the Government is establishing a National Interest Framework, Sector Assessment process and Community Benefit Principles to ensure public investment under the Government's Future Made in Australia agenda flows to communities in ways that benefit local workers and businesses.

### **Key Talking Points**

- We are implementing the Future Made in Australia agenda to maximise the economic and industrial benefits of the international move to net zero and secure Australia's place in a changing global economic and strategic landscape.
- We announced in the 2024-25 Budget an investment of \$22.7 billion over a decade for our Future Made in Australia agenda.
- In the 2024-25 MYEFO, we built on this investment with a further \$469.6 million over 14 years from 2024-25 on Future Made in Australia initiatives including renewable hydrogen and refining and processing of critical minerals.
- In the 2025-26 Budget, we committed a further \$3 billion to support green metals production including \$1 billion in a new Green Iron Investment Fund.

**QB25-000136**

- The Treasurer and I will continue to work together to implement the Future Made in Australia agenda to build a stronger, more resilient economy.
- I am responsible for implementing the Community Benefit Principles, a key element of our Future Made in Australia agenda.
- Community Benefit Principles will ensure projects receiving a benefit from government support will deliver genuine benefits to local workers, industries and communities.
- The legislation also establishes Future Made in Australia Plans. These Plans will help maximise the broader benefits of investment delivered under our Future Made in Australia agenda.
- The application of the Principles and the Future Made in Australia Plans will be subject to further consultation led by my department.

## Background

### Future Made in Australia Act 2024

- Responsibility for administering the Future Made in Australia Act 2024 (the Act) was split between you and the Treasurer on 1 July 2025, under the new Administrative Arrangement Orders (May 2025).
- You have responsibility for Parts 1, 3 and 4 of the Act relating to the provision of Future Made in Australia support. The key functions under Part 3 are:
  - The Community Benefit Principles
  - Future Made in Australia Plans
  - Prescribing Future Made in Australia support
- The Treasurer maintains responsibility for Part 2 of the Future Made in Australia Act 2024 relating to priority sectors. The key functions under Part 2 are:
  - The National Interest Framework
  - Sector assessments
- Not all aspects of the Government's wider Future Made in Australia agenda are governed by the Act. The process for prescribing Future Made in Australia support is set out in Part 3 of the Act.



## Key elements under implementation

### National Interest Framework

- The Treasurer is responsible for the National Interest Framework. The Act legislates a National Interest Framework to support better alignment of economic incentives with our national interests.
- The National Interest Framework consists of two streams:
  - **The Net Zero Transformation Stream** relates to where a sector could have a sustained comparative advantage in a net zero global economy; and public investment is likely to be needed for the sector to make a significant contribution to emissions reduction at an efficient cost.
  - **The Economic Resilience and Security Stream** relates to where some level of domestic capability in the sector is a necessary to deliver economic resilience and security; and the private sector will not deliver the necessary investment in the sector in the absence of government support.

### Sector Assessments

- Treasury is responsible for establishing the Sector Assessment process and for conducting assessments against the National Interest Framework. The assessment will consider opportunities to address barriers to private investment in the national interest.
- The Government announced five sectors in the 2024-25 Budget that align with the principles of the National Interest Framework. These are renewable hydrogen, green metals, low carbon liquid fuels, critical minerals processing and clean energy manufacturing.

## Community Benefit Principles

- From 1 July 2025, the function of implementing *Community Benefit Principles* and *Future Made in Australia Plans* was transferred from Treasury to the Industry and Innovation portfolio.
- The Community Benefit Principles are:
  - Promoting safe and secure jobs that are well paid and have good conditions;
  - Developing more skilled and inclusive workforces, including by investing in training and skills development;
  - Engaging collaboratively with and achieving outcomes for local communities, such as First Nations communities and communities affected by the transition to net zero;
  - Supporting First Nations communities to participate in, and share in the benefits of, the transition to net zero;
  - Strengthening domestic industrial capabilities through stronger local supply rules chains; and
  - Demonstrating transparency and compliance in relation to the management of tax affairs.
- The Act does not set out how the Principles should be applied or assessed. Legislative rules may prescribe requirements that must be complied with in relation to the Principles and Future Made Plans.

## *Future Made in Australia support*

- Under the Act, decision makers must have regard to *Community Benefit Principles* when delivering *Future Made in Australia support*.
- The definition of *Future Made in Australia support* currently includes:

Contact: s22

Cleared by: John Krbaleski, Mob: s22

Min ID: QB25-000136  
Division: Sovereign Capability and Supply Chains  
Created: 10 July 2025  
Updated: 7/15/2025 10:41 AM

**QB25-000136**

- The **Future Made in Australia Innovation Fund** delivered by ARENA which will provide up to \$1.5 billion in grant funding to support pre-commercial deployment of renewable energy and low emission technologies.
- **Finance provided by Export Finance Australia** under its new domestic National Interest Account functions to support net zero transition and economic resilience.
- Under the Act, other programs or initiatives can be prescribed as Future Made in Australia support by legislative rules.
- In January 2025 the Treasurer agreed that other initiatives delivered under the Future Made in Australia agenda would be prescribed as Future Made in Australia support including:
  - **Battery Breakthrough Initiative** (ARENA): \$500 million of funding to promote the development of battery manufacturing capabilities in Australia.
  - **Solar Sunshot** (ARENA): \$1 billion to support commercialisation of solar technologies and enhance domestic supply chains.
  - **Hydrogen Headstart Round 2** (ARENA): \$2 billion for renewable hydrogen projects through competitive production contracts.
  - **Green Iron Investment Fund** (DISR): \$ 1 billion to boost green iron manufacturing and supply chains.
  - s 47C

- s 47C
  
- The Principles will also apply to the Production Tax Incentives (PTIs) for renewable hydrogen and critical minerals. Delivered through the tax system, the PTIs will help accelerate investment in Australian hydrogen and critical minerals projects.
  - The Treasurer retains responsibility for the application of the Principles to the PTIs under the Future Made in Australia (Production Tax Credits and Other Measures) Act 2024.

### ***Future Made in Australia Plans***

- The Act requires that recipients of Future Made in Australia support must put in place a Future Made in Australia Plan to explain how the project would provide benefits consistent with the Principles.
- The design and application of Future Made in Australia Plans will be prescribed in a legislative rule under the Act.

### ***Consultation***

- In July 2024, the Prime Minister announced the introduction of the Future Made in Australia Bill. At this time, the Prime Minister confirmed the application of the Community Benefit Principles and Future Made in Australia Plans would be subject to further consultation following the passage of the legislation.
- The department is developing a consultation plan with industry and community stakeholders.

QB25-000077

## ENERGY AND MANUFACTURING

### Issue

Energy pricing pressures on the road to net zero are likely to impact Australian industry, particularly energy-intensive businesses.

### Key Talking Points<sup>1</sup>

#### ***Monthly average energy prices as of 30 June 2025:***

- Gas: \$13.38 per gigajoule (11 per cent lower than Dec 2022).
- Electricity: \$274.66 per megawatt-hour (261 per cent higher than Dec 2022).
- Unleaded Petrol: \$1.78 per litre (1 per cent higher than Dec 2022)

- The Government is committed to providing reliable, affordable clean energy supply to grow domestic manufacturing and transition to a lower emissions economy – including our ambition to have 82 per cent renewable energy by 2030.
- As part of this response, and to support Australian businesses, the Government is:
  - providing energy bill relief to eligible small businesses in 2025-26;

<sup>1</sup> Prices refer to a June-to-date monthly average from Daily Energy Essentials, Department of Climate Change, Energy, Environment and Water

Contact **s22**, Manager, Industrial Energy Systems, **s22**

Cleared by: Leah Wojcik, General Manager, Industry Policy Branch, **s22**

Min ID: QB25-000077

Division: Industry and Manufacturing

Created: 02 July 2025

Updated: 7/15/2025 4:31 PM (date should stay in this format)

**QB25-000077**

- investing in hydrogen, with \$4 billion in the Hydrogen Headstart program to fund large scale projects, and establishing a Hydrogen Production Tax Incentive to help bring down the cost of renewable hydrogen for Australian industry;
- investing in renewables and electrification infrastructure, including the Capacity Investment Scheme that will unlock \$65 billion of renewable energy capacity;
- establishing new sovereign clean energy manufacturing through the \$1 billion Solar Sunshot; and \$1.5 billion Future Made in Australia Innovation Fund;
- allocating \$500m for clean energy technologies under the Innovation Fund to support technologies like battery and storage technologies, hydrogen electrolyzers and electrification technologies;
- securing domestic gas supplies, with 604 PJ of additional gas committed to the east coast under the Gas Market Code; and
- supporting investment in renewables and low emission technologies through the National Reconstruction Fund, CEFC and ARENA.

Contact: s22, Manager, Industrial Energy Systems, s22

Cleared by: Leah Wojcik, General Manager, Industry Policy Branch, s22

Min ID: QB25-000077  
Division: Industry and Manufacturing  
Created: 02 July 2025  
Updated: 7/15/2025 4:31:00 PM

**Page 2 of 5**

**QB25-000077*****If asked about gas prices:***

- Affordable gas is critical as a transition fuel for industry. The ACCC Gas Inquiry June Interim report detailed a decline in prices offered in the east coast gas market. Prices offered over the second half of 2024 for supply in 2025 and 2026 remain well above pre-pandemic levels.

**Contact** s22

Manager, Industrial Energy Systems, s22

**Cleared by:** Leah Wojcik, General Manager, Industry Policy Branch,  
s22**Min ID:** QB25-000077  
**Division:** Industry and Manufacturing  
**Created:** 02 July 2025  
**Updated:** 7/15/2025 4:31:00 PM**Page 3 of 5**

**QB25-000077**

## Background

### Gas

- The Commonwealth Gas Market Review commenced on 1 July 2025 and will consider the Gas Market Code, Australian Domestic Gas Security Mechanism and the Heads of Agreement with East Coast LNG exporters. The review will be finalised late 2025 so the gas market can proceed with negotiating contracts with confidence in the market.
- The Future Gas Strategy informs our national conversation on the role of gas to 2050 and beyond. It ensures decisions on gas supply and production are based on the best possible information.

### Hydrogen

- The Government is steadfast in its ambition for Australia to become a global hydrogen leader. Under an updated National Hydrogen Strategy, and as a central part of Future Made in Australia Plan, the Government has:
  - legislated the Hydrogen Production Tax Incentive to provide broad-based financial support,
  - is moving forward with consultation for the second round of the flagship Hydrogen Headstart program, and
  - is working with major international partners to incentivise hydrogen production, accessing new markets and unlocking private investment.

Contact: s22, Manager, Industrial Energy Systems, s22

Cleared by: Leah Wojcik, General Manager, Industry Policy Branch, s22

Min ID: QB25-000077  
Division: Industry and Manufacturing  
Created: 02 July 2025  
Updated: 7/15/2025 4:31:00 PM

**Page 4 of 5**



**QB25-000077*****Clean Energy Manufacturing***

- Clean Energy Manufacturing is a priority sector for Future Made in Australia.
- \$500 million of the \$1.5 billion Future Made in Australia Innovation Fund will offer grants to support innovation, commercialisation, pilot and demonstration projects and early-stage development across clean energy technology helping to secure our economic resilience.

**Contact:** s22, Manager, Industrial Energy Systems, s22

**Cleared by:** Leah Wojcik, General Manager, Industry Policy Branch, s22

**Min ID:** QB25-000077  
**Division:** Industry and Manufacturing  
**Created:** 02 July 2025  
**Updated:** 7/15/2025 4:31:00 PM

**Page 5 of 5**

QB25-000078

## GREEN METALS

### Issue

How is the Government unlocking a globally competitive green metals industry?

### Key Talking Points

- Australian iron ore, steel, alumina and aluminium are mainstays of the economy where we have long held a competitive edge.
- Low- and zero-emissions production of these metals, along with new green iron opportunities, are priorities under the Australian Government's Future Made in Australia agenda.
- The Albanese Government has allocated more than \$5 billion to supercharge Australia's metals industry. We are sending a strong signal to the market and embedding our place in global supply chains.
- These phased and aligned measures recognise that different metals have unique decarbonisation needs and timelines.
  - The \$1 billion **Green Iron Investment Fund** (announced February 2025) will support early movers to establish commercial-scale green iron facilities.
  - A \$750 million allocation (announced March 2025) under the \$1.5 billion **Future Made in Australia Innovation Fund** will support innovation and development in green metals.

Contact: s22, Manager, Green Metals Strategic Policy. s22  
Cleared by: s 22 General Manager, Industrial Net Zero Transformation  
Branch, s22

Min ID: QB25-000078  
Division: Industry and Manufacturing  
Created: 02 July 2025  
Updated: 7/15/2025 4:52 PM (date should stay in this format)

**QB25-000078**

- The \$10 million **Green Metals Innovation Network** (announced June 2025) will foster collaboration between industry and research sectors.
- The \$2 billion **Green Aluminium Production Credit** (announced January 2025) will assist aluminium smelters to transition further to renewable electricity.
- The Credit will allow Australian metals producers to maintain competitiveness as they shift to decarbonised production and establish an early foothold in emerging green metals markets around the world.
- The department is currently designing the Green Iron Investment Fund and Green Aluminium Production Credit.
- The **Industrial Decarbonisation and Green Metals Advisory Panel** provides strategic advice towards development of a long-term, sustainable green metals industry.

**QB25-000078**

## Background

- The **Green Iron Investment Fund** will have two streams:
  - At least \$500 million will be open to applicants around Australia to supercharge our world-leading iron ore industry by adding value here.
  - Up to \$500 million will support the Whyalla Steelworks' longer-term transformation.
- **Green Aluminium Production Credit:** Smelters that demonstrate new significant decarbonisation before 2036 can negotiate an emissions-linked credit contract, payable per tonne of green aluminium produced for up to 10 years.
- We consulted on *A Future Made in Australia: Unlocking Australia's Green Iron, Steel, Alumina and Aluminium Opportunity* in 2024. Experts, industry, unions, researchers and academia told us that government and industry need to partner closely to realise the economic opportunities presented by green metals and address key barriers. We published 69 submissions in November 2024.
- Members of the **Industrial Decarbonisation and Green Metals Advisory Panel** include:
  - Marghanita Johnson, CEO, Australian Aluminium Council
  - Jenny Selway, CEO, Heavy Industry Low-Carbon Transition Cooperative Research Centre (HILT-CRC)
  - Mark Cain, Chief Executive, Australian Steel Institute
  - Paul Farrow, National Secretary, Australian Workers Union
  - Steve Murphy, Secretary, Australian Manufacturing Workers Union

**QB25-000079**

## SEAFOOD CoOL

### Issue

Frequent labelling changes could cost hospitality businesses a lot of money - how will small hospitality businesses be supported during the transition period?

### Key Talking Points

- The Albanese Government has reached an important milestone in the implementation of mandatory Country of Origin Labelling for seafood in hospitality settings.
- The labelling changes will make it easier for consumers to decide which seafood they want to buy.
- Businesses have 12 months to adjust. From 1 July 2026, hospitality businesses will need to label seafood dishes using the Australia-Imported-Mixed (AIM) model:
  - A (Australian)
  - I (Imported)
  - M (Mixed origin if a dish contains both Australian and imported seafood).
- The AIM model is a simple and practical approach that strikes the right balance between informing consumers, while minimising costs to businesses.
- There is flexibility built into the labelling rules – hospitality businesses can choose the style of labelling that suits them.

**QB25-000079**

- For example:
  - 'A', 'I' and 'M' acronyms can be used with a separate legend to explain what they mean.
  - A single statement on a sign (or menus) can be used if businesses only use Australian seafood
  - Temporary signage is allowed if there is a sudden change in supply.
- While hospitality businesses don't need to do anything yet, I encourage early planning and testing of labelling options with customers to see what works best.
- During the transition period, we will focus on raising awareness with hospitality businesses about the new labelling rules and encourage changes to be made as part of usual menu update cycles.

**QB25-000079**

## Background

- On 4 July 2025, you and the Minister for Agriculture, Fisheries and Forestry jointly announced the 12-month transition period had started and the new rules come into effect on 1 July 2026.
- The 2024-25 Budget included \$3 million over 4 years from 2024-25 to support implementation of Seafood CoOL.
- Public consultation on the proposed labelling model occurred via a discussion paper (released in December 2022), a consultation regulation impact statement (released in July 2023) and an exposure draft information standard (released in March 2025).
- On 24 November 2023, Australia's federal, state and territory Consumer Ministers agreed to introduce Seafood CoOL using the Australian-Imported-Mixed (AIM) model.
- This initiative was a 2022 election commitment.

### ***If asked***

- Commonwealth, state and territory regulators enforce the Australian Consumer Law across Australia.
- The Australian Competition and Consumer Commission (ACCC) prioritises addressing conduct that results in substantial consumer or small business detriment, including national conduct by large businesses.
- Conduct that occurs in a single state or territory is more effectively dealt with at the local level by state and territory ACL regulators.

## Attachments

- Media release dated 4 July 2025 - *Strengthening consumer confidence through improved seafood labelling.*

Contact: s22, A/g Manager Food and Textiles Industries,  
Cleared by: s22 Ana Markulev, General Manager Sectoral Manufacturing Branch

Min ID: QB25-000079  
Division: Industry and Manufacturing  
Created: 02 July 2025  
Updated: 7/15/2025 4:55 PM

# Strengthening consumer confidence through improved seafood labelling

4 July 2025

## Joint media release with Minister for Agriculture, Fisheries Forestry Julie Collins.

This week, the 12-month transition period started for the introduction of mandatory labelling for seafood products in hospitality venues, before the new rules come into effect on 1 July 2026.

Minister for Industry and Innovation and Minister for Science Tim Ayres said it gives businesses time to adjust, however they can start applying country-of-origin seafood labelling to menus now.

The new information standard has been made under the Australian Consumer Law, aiming to help customers better understand where their seafood comes from.

In November 2023, following extensive consultation with the public and industry, the federal, state and territory consumer affairs ministers agreed to the new labelling approach.

Under the changes, hospitality businesses must label the country of origin for all seafood in their ready-to-eat dishes using the Australian-Imported-Mixed (AIM) model.

- A (Australian)
- I (imported)
- M (of mixed origin containing both Australian and imported seafood)

The AIM model is a simple and practical approach that strikes the right balance between informing consumers, while minimising costs to businesses. New labels, clearer choices.

Hospitality businesses that must follow the rules include restaurants and cafes, all the way to food trucks and market stalls.

You can find out more [here](#) and access business guidance materials [here](#). More information to address any hospitality business questions will be released during the transition period.

## Quotes attributable to Minister for Industry and Innovation and Minister for Science Tim Ayres:

“Australian seafood is world renowned for its high quality and sustainable practices, but more than 60% of seafood bought by Australians is imported.

“These changes give Aussie seafood lovers the opportunity to make sure they’re buying local.

“The Albanese Labor Government remains committed to supporting Australia’s local seafood industry and ensuring consumers have clear information about the origins of their seafood.

“I encourage businesses to use this 12-month transition period to adjust to the new measures and find what works best for them and their customers.”

## Quotes attributable to Minister for Agriculture, Fisheries Forestry Julie Collins:

“Australia’s seafood industry provides significant value both as a job creator and economic driver in regional Australia.



"I've been a proud supporter of mandatory labelling for seafood products because I know it will help support Australia's seafood industry.

"The Albanese Labor Government will continue to back our local seafood industry and Australian consumers, who deserve and want to know where their seafood is coming from.

"Australian fisheries are some of the best regulated in the world. When you choose to buy Australian seafood, you can be confident the product is sustainably sourced and that you are not supporting illegal, unreported and unregulated fishing practices."

QB25-000076

## ANTI-DUMPING

### Issue

How is the Government defending Australian manufacturing from dumped and subsidised imports?

### Key Talking Points

- The Government is committed to a strong anti-dumping system so Australian goods can compete fairly with imports.
- The system provides a remedy to Australian manufacturers that are materially injured by dumping and subsidisation.
- I make decisions based on thorough, evidence-based investigations led by the Anti-Dumping Commissioner.

### \$5 million in new funding for the Anti-Dumping Commission

- We committed \$5 million in new funding for the Anti-Dumping Commission during the election, as part of our plan to address trade disruption caused by US tariffs.
- This funding will help the Commission keep on top of its increased workload and build-up its future capacity.
- It will reinforce our investment in the *National Reconstruction Fund*, our *Future Made in Australia* agenda and our broader efforts to make the Australian economy more resilient.

Contact: s22  
Cleared s22

Page 126 of 165  
2 s22

, Manager, Anti-Dumping Policy, s22  
Principal Advisor, Trade Remedies, s22

OFFICIAL

Min ID: QB25-000076  
Division: Industry and Manufacturing  
Created: 02 July 2025  
Updated: 7/15/2025 4:57 PM

Page 1 of 4

**QB25-000076***New Statement of Expectations for the Commissioner*

- I will issue a new *Statement of Expectations* to the Commissioner shortly. This will set a clear direction for the work of the Commissioner going forward.

***Risk of increased dumping due to trade diversion from US***

- My department is closely engaged with other departments, such as DFAT, to monitor the rapidly changing global environment.
- We are prepared to take action to ensure Australian manufacturing is not negatively impacted by unfair trade.

Contact: s22

, Manager, Anti-Dumping Policy, Cs22

Cleared by: s 22  
s22

Principal Advisor, Trade Remedies, s22

Min ID: QB25-000076  
Division: Industry and Manufacturing  
Created: 02 July 2025  
Updated: 7/15/2025 4:57:00 PM

**QB25-000076**

***If asked: What more is the Government doing to strengthen the anti-dumping system?***

- In addition to the \$5 million commitment, I am considering options to strengthen the system and ensure that Australian manufacturing can compete on a level playing field.
- The Anti-Dumping Commission is also working to improve its operations by:
  - Continuously reviewing its operations to reduce complexity, improve clarity and take timely action
  - Actively engaging with industry stakeholders to improve accessibility, particularly for SMEs
  - Prioritising how to provide timely trade information to stakeholders, including working within government to monitor global trade data to identify trade diversion.

Contact: s22  
Cleared by: s22  
s22

, Manager, Anti-Dumping Policy, s22  
Principal Advisor, Trade Remedies, s22

Min ID: QB25-000076  
Division: Industry and Manufacturing  
Created: 02 July 2025  
Updated: 7/15/2025 4:57:00 PM

**QB25-000076**

## Background

- The Government committed \$5 million additional funding for the Commission during the election campaign.
- The announcement was made as part of the Government's five-point response to the widespread imposition of tariffs by the US government.
- The five-point plan also includes:
  - \$50 million for sectors affected by US tariffs, to secure and grow new markets, and give new business and investment missions to priority markets.
  - A new *Economic Resilience Program* through the *National Reconstruction Fund*, providing \$1 billion in zero interest loans for new export opportunities.
  - Encouraging more people to Buy Australian, including through Commonwealth Government procurement.
  - Establishing a *Critical Minerals Strategic Reserve*, through *National Offtake Agreements*, and *Selective Stockpiling* of key critical minerals.

### Anti-dumping system reforms:

- The International Trade Remedies Forum has prepared a report recommending changes to strengthen Australia's trade remedies system.
- Discussions on reform options are continuing between your office and the department.

Contact: s22, Manager, Anti-Dumping Policy, s22  
Cleared by: s22, Principal Advisor, Trade Remedies, s22  
s22

**QB25-000085**

## SUPPLY CHAIN ISSUES

### Issue

How is the Government responding to supply chain challenges?

### Key Talking Points

- Industry is our first line of defence in maintaining functional supply chains. However, some challenges are simply too large for any one company to tackle alone.
- The Government plays a critical role in growing and stabilising sovereign industry and strengthening trade linkages by removing barriers and promoting diversification.
- We've introduced a range of measures to build supply chain resilience and mitigate risks across key sectors.
- The National Reconstruction Fund is a cornerstone of this strategy—facilitating targeted investments to diversify and transform Australian industry, create secure, well-paid jobs, and boost sovereign capability (see **QB25-000084**).
- We're actively listening to and collaborating with industry leaders to strengthen national resilience and respond to supply chain challenges.

Contact: s22 , A/g Manager, s22

Cleared by: Rodney Harris, A/g General Manager, s22

Min ID: QB25-000085  
Division: Sovereign Capability and Supply Chains  
Created: 02 July 2025  
Updated: 7/15/2025 5:01 PM

**QB25-000085**

## Background

- The department works across industry and government to proactively identify supply chain vulnerabilities and help support diversification.

### ***Middle East Conflict***

- The conflict in the middle east is unlikely to affect Australia supply chains in the short term.
- But the unrest is expected to slow global shipping, as cargo ships avoid the Red Sea and the waters around the Arabian Peninsula, increasing global ocean freight costs.
- Crude oil prices have returned to a similar level (\$US70 per barrel) as prior to the US intervention on 22 June. The conflict hasn't influenced domestic petrol and diesel prices.

### ***US Tariffs on Australia***

- Australia is a trading nation and is a strong advocate for open and rules-based trade.
- The tariffs are unwarranted—Australia does not impose tariffs on US exports, and the US has a trade surplus with Australia.
- The US Administration has threatened to impose heavy tariffs, potentially up to 200 per cent, on foreign pharmaceuticals (8 July).
- The proposal poses a risk to global pharmaceutical supply chains—as US production relies on imported ingredients and inputs. The US is also the largest market for Australian pharmaceutical and medical products.

Contact: s22 , A/g Manager, s22

Cleared by: Rodney Harris, A/g General Manager, s22

Min ID: QB25-000085  
Division: Sovereign Capability and Supply Chains  
Created: 02 July 2025  
Updated: 7/15/2025 5:01 PM

**QB25-000085**

- The government has sought further detail on the latest announcement and will continue to assess potential impacts for Australian businesses and consumers.
- To back Australia's manufacturing export supply chains, the government has committed to establish a new Economic Resilience Program through the National Reconstruction Fund.
- The Economic Resilience Program will provide up to \$1 billion in zero-interest loans for firms to capitalise on new export opportunities.

***Intravenous (IV) Fluids***

- Australia began experiencing IV fluid shortages in early 2023, with the Therapeutic Goods Administration warning that global supply issues are likely to persist through to 2025.
- IV fluids are critical medical supplies, essential for surgical procedures, hospital care, and a wide range of clinical treatments.
- The Government has invested \$20 million to expand Australia's only onshore manufacturer of IV fluids—Baxter Healthcare.
- This investment will boost sovereign manufacturing capability, secure supply chains, and create new jobs in advanced medical manufacturing.
- The expanded facility will produce 80 million units annually by 2027, strengthening Australia's resilience against future shortages.

Contact: s22, A/g Manager, s22

Cleared by: Rodney Harris, A/g General Manager, s22

Min ID: QB25-000085  
Division: Sovereign Capability and Supply Chains  
Created: 02 July 2025  
Updated: 7/15/2025 5:01 PM



QB25-000083

## BATTERIES

### Issue

How is the Government developing the Australian battery industry?

### Key Talking Points

- In May 2024, the Albanese Government released Australia's first **National Battery Strategy** as a key part of the Future Made in Australia agenda.
- The Strategy sets out the Government's plan for building a diverse and competitive Australian battery industry that will improve Australia's economic resilience and security.
  - The Strategy draws on Australia's natural advantages in renewable energy resources, critical minerals, skilled workers, battery IP and R&D, to grow the domestic battery manufacturing industry.
- The centrepiece of the Strategy is the \$523.2 million **Battery Breakthrough** support for manufacturers to build scale and move up the battery value chain in Australia.
  - The Battery Breakthrough will focus on producing high-value battery products in Australia's areas of competitive advantage – such as stationary energy storage – to support the climate energy transition.

Contact: s22, Manager - Battery Coordination and Defence  
Industry  
Cleared by: s22  
Jenene Askari, A/g General Manager – Batteries  
s22

Min ID: QB25-000083  
Division: Sovereign Capability and Supply Chains  
Created: 02 July 2025  
Updated: 7/17/2025 3:14 PM (date should stay in this format)

**QB25-000083**

## Background

- The **National Battery Strategy** builds on existing commitments to support our battery industry, including:
  - The \$14 million **Powering Australia Industry Growth Centre** to support businesses to locally manufacture renewable technologies and commercialise local ideas, including batteries.
- The Strategy also includes the \$20.3 million **Building Future Battery Capabilities** measure to build Australian battery industry skills and capabilities and strengthen national collaboration.
- The Strategy is complemented by the \$1.7 billion **Future Made in Australia Innovation Fund** to drive innovation in priority industries, including renewable energy technology manufacturing such as batteries. The initiative is currently being designed in collaboration with the Australian Renewable Energy Agency, who will administer the support.
- The Strategy and accompanying measures will help Australia become a partner of choice to support the global transition to net zero.
- Australia can do this in high-value areas such as manufacturing energy storage systems for renewable grids, providing batteries for local manufacturers and building safer, more secure batteries.

### ***If asked when will the Battery Breakthrough start providing incentives?***

- The Government held extensive consultations seeking feedback on the Battery Breakthrough to ensure the measure is designed to maximise impact for industry. An announcement is expected soon.

Contact: s22 Industry, Manager - Battery Coordination and Defence

Cleared by: s22 Jenene Askari, A/g General Manager – Batteries

s22  
Page 134 of 165

Min ID: QB25-000083  
Division: Sovereign Capability and Supply Chains

Created: 02 July 2025  
Updated: 7/17/2025 3:14:00 PM

**QB25-000083*****If asked how will the Battery Breakthrough and Future Made in Australia Innovation Fund complement each other?***

- The FMA Innovation Fund will target pre-commercialisation and early-development in priority sectors, including batteries, and contribute a pipeline of 'investment-ready' projects for Battery Breakthrough.

***If asked about the Australian Made Battery Precinct (Precinct)***

- The Precinct was announced on 11 May 2022 as a joint commitment between the Commonwealth and Queensland (QLD) Governments.
- Since then, Governments have engaged on design and investment considerations to ensure they meet the strategic priorities set out for industry in the original commitment. This was supported by the Commonwealth's engagement of commercial and technical advisers, following allocation of \$5.6 million in the 2024-25 Budget.
- The Australian Government remains committed to advancing Australia's battery manufacturing industry in line with the National Battery Strategy. In light of the Queensland Government's withdrawal from this commitment, we are considering our position on the Precinct and continue to actively support Australian industry through our Future Made in Australia agenda.

***If asked who will receive funding from the Building Future Battery Capabilities measure?***

- Powering Australia Limited was identified as the appropriate recipient of these grants given its technical expertise and ability to leverage existing networks to undertake the required activities, in line with the intended objectives of the Program. Award of grant funding was subject to an assessment and approval process as per the respective grant opportunity guidelines for each grant.

Contact: s22 Industry, Manager - Battery Coordination and Defence

Cleared by: s22 Jenene Askari, A/g General Manager – Batteries

Min ID: QB25-000083  
Division: Sovereign Capability and Supply Chains

Created: 02 July 2025  
Updated: 7/17/2025 3:14:00 PM

**QB25-000086**

## **2025-26 BUDGET AND ELECTION COMMITMENTS – INDUSTRY, INNOVATION AND SCIENCE**

### **Issue**

What are the Government's plans for the Industry, Innovation and Science sectors?

### **Key Talking Points**

- I look forward to delivering the Albanese Government's Building Australia's Future agenda to boost investment, create jobs and seize opportunities.
- My portfolio will enable Australia to have a more productive, resilient and sustainable economy.
- The initiatives and outcomes will provide secure and good jobs for all Australians – now and into the future.
- Our 2025-26 Budget Commitments for Industry and Innovation this year include:
  - \$2.4 billion (with the South Australian Government) to stabilise the operations of the Whyalla Steelworks – with up to \$500 million of the Green Iron Investment Fund has been earmarked to support the long-term transformation of the Whyalla Steelworks.
  - \$2 billion for Green Aluminium Production Credits to provide production-based grants.

Contact: s22, Manager, Budget Policy  
s22

Cleared by: Merrick Peisley, General Manager, Budget, Planning and Reporting Branch

Min ID: QB25-000086  
Division: Strategic Policy

Created: 02 July 2025  
Updated: 7/10/2025 2:11 PM

**QB25-000086**

- \$1 billion to the Green Iron Investment Fund to boost green iron manufacturing and supply chains, which builds on the government's support for green metals including through the \$2 billion Aluminium Production Credit.
  - \$750 million to support innovation and new technologies to accelerate green metals manufacturing.
  - \$500 million allocation for clean-energy manufacturing, including battery storage technologies.
- Our 2025-26 Budget Commitments for Science this year include:
    - \$24.1 million for the Australian Nuclear Science and Technology Organisation (ANSTO) to continue supplying affordable nuclear medicine to Australians.
    - \$45 million in 2025-26 to the CSIRO to maintain its world-leading research capability.
    - \$10 million over four years to the CSIRO for gene technology research to develop safe, effective, field-deployable tools for managing the most harmful invasive species.
    - \$34.0 million in 2025-26 to the National Measurement Institute (NMI) for capital works.

Contact: s22, Manager, Budget Policy  
s22

Cleared by: Merrick Peisley, General Manager, Budget, Planning and Reporting Branch

Min ID: QB25-000086  
Division: Strategic Policy

Created: 02 July 2025  
Updated: 7/10/2025 2:11:00 PM

**QB25-000086**

- \$47.9 million in 2025-26 to continue supporting the delivery of the Square Kilometre Array (SKA) project (subject to confirming other member contributions).
- to the first stage of a refit of the Australian Centre for Disease Preparedness – to be funded by the CSIRO – for critical services related to detection of diseases in animals, which are necessary to protect human health and Australian agriculture industries and trade.
- \$3.8 million over two years from 2025-26 to continue certain activities of the Budget 2024-25 measure Strengthening Medicare by two years.
- \$4.5 million in 2025-26 to the CSIRO to continue activities initiated under the 2023-24 Budget measure Strengthening Medicare by one year.
- \$0.6 million in 2025-26 to the CSIRO to maintain the infrastructure and storage facilities for the Australian Health Biobank.

**Contact:** s22, Manager, Budget Policy  
s22

**Min ID:** QB25-000086  
**Division:** Strategic Policy

**Cleared by:** Merrick Peisley, General Manager, Budget, Planning and Reporting Branch

**Created:** 02 July 2025  
**Updated:** 7/10/2025 2:11:00 PM

- Our Election Commitments for Industry and Innovation include:

- \$1.0 billion for the National Reconstruction Fund Corporation (NRFC) to provide zero interest loans to companies as an Economic Resilience Program.
- \$5.0 million in 2025-26 to the Anti-Dumping Commission to support its monitoring activities and investigation of claims.
- \$5.0 million in 2025-26 to fund master plans for rezoned Hunter mine sites to attract new industry and create local jobs.
- \$24.0 million over 5 years to support the Boyer Paper Mill in Tasmania transition to clean energy operations.
- \$20.0 million to the Buy Australian Made Campaign to encourage consumers to buy Australia-made products.
- the \$500 million clean energy manufacturing stream in the Future Made in Australia Innovation Fund will also be used to drive the use of local steel content in renewable energy infrastructure, with a particular focus on wind towers.

Contact: s22, Manager, Budget Policy  
s22

Cleared by: Merrick Peisley, General Manager, Budget, Planning and Reporting Branch

Min ID: QB25-000086  
Division: Strategic Policy

Created: 02 July 2025  
Updated: 7/10/2025 2:11:00 PM

**QB25-000086**

- Our Election Commitment for Science is:
  - \$102.8 million to upgrade the Scitech Discovery Centre in Perth in partnership with the Western Australian Government and bring Questacon's Travelling Library Exhibits Program to Western Australian communities.

**Contact:** s22, Manager, Budget Policy  
s22

**Min ID:** QB25-000086  
**Division:** Strategic Policy

**Cleared by:** Merrick Peisley, General Manager, Budget, Planning and Reporting Branch

**Created:** 02 July 2025  
**Updated:** 7/10/2025 2:11:00 PM



QB25-000087

# PORTFOLIO CONTRIBUTION TO PRODUCTIVITY & ECONOMIC RESILIENCE

## Issue

How are the Government's industry, innovation and science policies supporting productivity and resilience of the Australian economy?

## Key Talking Points

- The Government is making strategic investments in industry, science, innovation, technology and manufacturing.
- These will build a more productive, resilient and sustainable economy that provides secure and fair-paid work for Australians.

## Industrial transition and capability

- Australian industry is navigating geopolitical shifts, global market practices, and a changing energy mix.
- I am working with industry to tackle these challenges and build capability while they proactively transition their businesses and workers to better harness changing markets.
- This includes working with local communities and across government to manage the economic and social challenges faced by most-affected regions.
- Securing a future for our legacy industrial facilities means seizing opportunities like green iron and clean energy technology.

Contact: s22, Manager, Strategic Capability, Mob: s22

Cleared by: Lee Sarandopoulos, A/g General Manager, Whole of Government Policy and Priorities Branch, s22

Min ID: QB25-000087  
Division: Strategic Policy  
Created: 02 July 2025  
Updated: 7/10/2025 1:23 PM

**QB25-000087**

- These are opportunities for Australia to contribute to a cleaner future – one where the global market for clean energy technologies alone is estimated at \$15 trillion by 2050.
- That is a productive future, with secure and well-paid work for Australians across the country.
- It's also a more resilient future, where the Australian economy is better placed to weather unforeseen events.
- Our Future Made in Australia agenda is investing \$22.7 billion over the next decade to secure our place in the global net zero economy.
- It is leveraging our comparative advantages in green manufacturing and clean energy technologies like batteries.
- It's a key part of making Australia the indispensable industrial, technological, energy and strategic partner to our region.
- The National Reconstruction Fund contributes significantly to this agenda through targeted investments that will support a more diversified and resilient economy.

### Technology, science and research

- Science, technology and innovation are also key drivers of our economic agenda.

Contact: s22, Manager, Strategic Capability, Mob: s22

Cleared by: Lee Sarandopoulos, A/g General Manager, Whole of Government Policy and Priorities Branch, s22

Min ID: QB25-000087  
Division: Strategic Policy  
Created: 02 July 2025  
Updated: 7/10/2025 1:23:00 PM

**QB25-000087**

- Building our capabilities in transformative technologies such as artificial intelligence, quantum computing and robotics will drive future productivity growth.
- We are also maintaining the regulatory frameworks and standards needed for safe and responsible AI adoption.
- A strong science and research ecosystem underpins an innovative, dynamic economy, and prepares us to face future challenges.
- Programs such as Cooperative Research Centres and the R&D Tax Incentive programs continue to show how industry and research can work together to deliver transformational outcomes for Australia.
- We are maximising the impact of R&D on Australia's long-term productivity and prosperity by supporting the strategic examination of Australia's R&D system.
- And none of this is possible without a continued flow of talented young scientists, technologists and innovators.

### Outcomes

- Our strategic investments are addressing current challenges and positioning Australia to capitalise on future opportunities.
- As part of our agenda to build Australia's future, my portfolio is driving a more productive, resilient and sustainable economy.

Contact: s22, Manager, Strategic Capability, s22

Cleared by: Lee Sarandopoulos, A/g General Manager, Whole of Government Policy and Priorities Branch, s22

Min ID: QB25-000087  
Division: Strategic Policy  
Created: 02 July 2025  
Updated: 7/10/2025 1:23:00 PM

**QB25-000088**

## ARTIFICIAL INTELLIGENCE

### Issue

The Australian Government's approach to capturing the opportunity of Artificial Intelligence (AI).

### Key Talking Points

- The Government is focused on capturing the opportunity of artificial intelligence (AI) and building trust and confidence in its use. This means putting the right settings in place so that all Australians can realise the benefits of AI.
  - This includes considering how to secure the productivity benefits of AI, ensure the value is shared by all Australians, how we leverage our comparative advantages, our approach to sovereign capability, and how to take a balanced approach to regulation.
- That is why the Government announced the development of a National AI Capability Plan (the Plan). The Plan will set out how we can drive local AI innovation, lift productivity, accelerate economy-wide AI adoption, and provide a secure, resilient and safe supporting environment. Areas being considered include:
  - sustainable infrastructure (including data centres),
  - literacy, skills and workforce needs,
  - Australia's competitive advantages,
  - increasing adoption and diffusion across the economy.

**Contact:** Jessica Foote, GM, Technology Strategy and Engagement

**Cleared by:** Anthony Murfett, Head of Division, Technology and Digital

**Min ID:** QB25-000088

**Division:** Technology and Digital

**Created:** 02 July 2025

**Updated:** 7/15/2025 11:13 AM (date should stay in this format)

**QB25-000088**

- Government is also supporting adoption of AI by:
  - supporting four AI Adopt Centres as part of the \$17 million AI Adopt Program,
  - increasing the number of Australian AI professionals through the \$47 million Next Generation Graduates program, offering scholarships to post-graduate students,
  - supporting \$478 million worth of projects in artificial intelligence, computer vision and machine learning through the Research and Development (R&D) Tax Incentive in 2022-23,
  - and providing \$1 billion for targeted investments in critical technologies, including AI, through the \$15 billion National Reconstruction Fund (NRF) and supporting innovative SMEs undertaking commercialisation or growth projects in this NRF priority area through the \$392 million Industry Growth Program.
- The National AI Centre (NAIC) is supporting Australian industry with guidance and tools to adopt AI safely and secure productivity benefits.
- The Voluntary AI Safety Standard (VAISS) released in 2024 provides practical guidance to business on how they can adopt AI safely and responsibly.

**Contact:** Jessica Foote, GM, Technology Strategy and Engagement

**Cleared by:** Anthony Murfett, Head of Division, Technology and Digital

**Min ID:** QB25-000088

**Division:** Technology and Digital

**Created:** 02 July 2025

**Updated:** 7/15/2025 11:13 AM

**QB25-000088**

- The NAIC is currently progressing a new suite of industry guidance which builds on the VAISS, including extending best practices to developers and the delivery of fit-for-purpose resources and tools to support responsible AI adoption.
- The Government is considering its approach to AI regulation. The Government is committed to ensuring Australia has a regulatory environment that facilitates innovation while mitigating harms. It is important that we get this balance right.
- To drive AI investment, deliver impact and create good jobs, the Government is committed to working with State and Territory governments, industry, the technology community, Australia's scientific and research establishments, the investment community and the trade union movement.

**Contact:** Jessica Foote, GM, Technology Strategy and Engagement

**Cleared by:** Anthony Murfett, Head of Division, Technology and Digital

**Min ID:** QB25-000088

**Division:** Technology and Digital

**Created:** 02 July 2025

**Updated:** 7/15/2025 11:13 AM

**QB25-000088**

## Background

### ***If asked: does the Government still intend to legislate the mandatory guardrails for AI in high-risk settings?***

- Australia has a range of laws that regulate AI. These include economy-wide laws on privacy, administrative law, online safety, corporations' law, intellectual property, competition and consumer protection, and anti-discrimination.
- The Government is considering its approach to AI regulation. This includes considering feedback in response to consultations in September 2025.
- The Government is committed to ensuring Australia has a regulatory environment that facilitates innovation while mitigating harms.
- In considering our approach to AI regulation, the Government is focused on getting the balance right between enabling innovation and minimising risks, so we can capture the opportunity of AI while building trust and confidence.
- Under the 2024-25 Budget, the Government is investing \$4.2 million to clarify and strengthen existing laws to address risks and harms from AI. This work includes the immediate review of the priority areas of health and aged care sector regulation, the Australian Consumer Law and copyright law as they apply to AI.

### ***If asked: what is the Government's position on data centre investment?***

- Data centres are essential for meeting Australia's increasing demand for cloud, 5G, and AI services. Over the past five years, the compute requirements for training AI models have surged by a factor of 50 million.

**Contact:** Jessica Foote, GM, Technology Strategy and Engagement

**Cleared by:** Anthony Murfett, Head of Division, Technology and Digital

**Min ID:** QB25-000088

**Division:** Technology and Digital

**Created:** 02 July 2025

**Updated:** 7/15/2025 11:13 AM

**QB25-000088**

- Investments in data centres will drive innovation in AI and economic growth, ensuring we remain competitive on the global stage.
- Australia is attractive due to its strategic location and proximity to Asia, geological and political stability, cost-competitive renewable energy and large-scale energy projects with available land and secure communications networks.
- However, the uptake of AI and data intensive applications is increasing demand for energy and water around the world.
- The Government is considering its approach to supporting sustainable data centre investment that aims to minimise the impact on our natural resources, support the transition to net zero, and ensure the benefits are shared across the community.

***If asked: Applications closed for the AI Advisory Body in September 2024. Does the Government still intend to appoint the Body?***

- Appointments to the AI Advisory Body have not been made. The Government is considering next steps.

***If asked: how is the Government planning to respond to the Senate Select Committee inquiry on Adopting Artificial Intelligence?***

- The Government is considering the recommendations in the Senate Select Committee's report, tabled on 26 November 2024.

***If asked: does the Government intend to establish an AI safety institute?***

- Australia is working with partners around the world to advance the science of AI safety and security. To get the benefits from AI we must understand and address the risks.



**QB25-000088**

- Australia is a founding member of the International Network of AI Safety Institutes. Its aim is to understand and explain the risks of advanced AI models and systems and suggest solutions to address them.
- My department leads Australia's participation in the network. Our technical contributions to the Network are enabled by domestic AI safety experts, who the department supports and coordinates.

***If asked: how is the Government engaging internationally to support the AI industry?***

- The Australian Government is engaging internationally to support Australian innovation.
- We are working closely with partners so we can unlock AI's productivity benefits across borders. This includes building on the partnerships we have in place with the EU, Singapore and the UK.
- We will continue to shape international governance frameworks to reflect our values and interests. The Australian Government has signed the Bletchley Declaration; the Seoul Declaration for Safe, Innovative and Inclusive AI; and the Statement on Inclusive and Sustainable Artificial Intelligence for People and the Planet. Australia is working together with countries across the world through the Hiroshima AI Process Friends Group and the Global Partnership on AI.
- Australia is committed to strengthening the capacity of our region and shaping international efforts to capture the opportunity of AI while building trust and confidence. The government will continue to facilitate inclusive dialogue on access to, adoption and use of safe and secure AI. It will ensure Pacific and Southeast Asian voices are heard in an increasingly contested international environment.

**Contact:** Jessica Foote, GM, Technology Strategy and Engagement

**Cleared by:** Anthony Murfett, Head of Division, Technology and Digital

**Min ID:** QB25-000088  
**Division:** Technology and Digital  
**Created:** 02 July 2025  
**Updated:** 7/15/2025 11:13 AM

**QB25-000082**

## PSIQUANTUM

### Issue

What is the status of the Government's investment in PsiQuantum?

### Key Talking Points

- Australia is a global pioneer in the quantum sector.
- Quantum computing promises transformational economic opportunities, which will lead to productivity improvements and optimisation across Australian industry.
- Delivering a utility-scale fault tolerant quantum computer in Australia strengthens our global position, provides first-mover advantages and aligns with our National Quantum Strategy.
- The Commonwealth is working with Queensland, following their confirmation of continued support, to ensure the project continues to progress.
- The company is working to operationalise its Brisbane site and is helping to grow Australia's quantum ecosystem. In the last year, PsiQuantum:
  - (8 May 2025) announced its partnership with Linde Engineering to deliver the cryogenic cooling plant for the Brisbane site.
  - (26 Feb 2025) announced Omega, its mass-manufacturable quantum photonic chipset purpose-built for utility-scale quantum computing.

**Contact:** Katrina Pullen, A/g General Manager, Technology Investment Branch, [s22](#)  
**Cleared by:** James Flick, A/g Head of Division, Science Division, [s22](#)

**Min ID:** QB25-000082  
**Division:** Science  
**Created:** 02 July 2025  
**Updated:** 7/15/2025 5:03 PM (date should stay in this format)

**QB25-000082**

- (12 Dec 2024) opened its Asia-Pacific headquarters in Brisbane, a key milestone to expanding the company's operations in Australia and the region.
- (9 Sept 2024) announced collaboration with Griffith University to develop a 'Test & Characterization' lab to test subsystems of the computer and train future users.
- (16 July 2024) announced a partnership with five Queensland universities to develop educational programs to enhance Australia's quantum skills pipeline.

**Contact:** Katrina Pullen, A/g General Manager, Technology Investment

**Cleared by:** <sup>s22</sup> James Flick, A/g Head of Division, Science Division <sup>s22</sup>

**Min ID:** QB25-000082

**Division:** Science

**Created:** 02 July 2025

**Updated:** 7/15/2025 5:03:00 PM

**QB25-000082**

## Background

### *If asked*

*When will PQ break ground on the Brisbane site?*

- That is a matter for the company. I understand PsiQuantum is working with relevant parties to engage with the local community and progress its regulatory approvals.

*Will PQ's Chicago project overtake Brisbane?*

- PsiQuantum has confirmed since the announcements regarding a second project in Chicago that it will still deliver the world's first utility-scale, fault tolerant quantum computer in Brisbane.

**Contact:** Katrina Pullen, A/g General Manager, Technology Investment Branch, s22  
**Cleared by:** James Flick, A/g Head of Division, Science Division s22

**Min ID:** QB25-000082  
**Division:** Science  
**Created:** 02 July 2025  
**Updated:** 7/15/2025 5:03:00 PM

**QB25-000074**

## SPACE INDUSTRY

### Issue

What steps has the Government taken to develop the Australian space industry

### Key Talking Points

- The Australian space industry is an important contributor to a Future Made in Australia.
- Currently, the Department of Industry, Science and Resources is managing 43 projects in delivery with a total grant value of \$123.6 million.
- This includes
  - The *Roo-ver* lunar rover project, that will place an Australian designed, built and operated robotic rover on the moon with NASA later this decade.
  - 38 projects under the Moon to Mars Initiative to support Australian technology insertion to international space exploration programs.
  - Three projects under International Space Initiative - India program to support collaboration with India's space sector.
- The Government is also delivering a world-class regulatory environment to assure safe and secure commercial space activity while encouraging entrepreneurialism.

Contact: s22, Director Operations, s22

Cleared by: Chris Hewett, GM Space Policy s22

Min ID: QB25-000074  
Division: Australian Space Agency  
Created: 02 July 2025  
Updated: 7/21/2025 10:49 AMt

**QB25-000074**

## Background

- The Australian Government's Moon to Mars and International Space Investment Initiative grant programs are enabling Australian companies to enter global supply chains and enhance our linkages with international partners, while supporting the continued growth of the Australian space sector.
- The space industry can also access the \$15 billion National Reconstruction Fund and the \$392 million Industry Growth Program.
- Space provides enabling technologies for the Government's agenda to build a future made in Australia, safeguard economic resilience and support productivity growth across sectors. The Minister is the decision maker for regulatory approvals under the *Space (Launches and Returns) Act 2018* (the Act), based on advice of the Australian Space Agency Office of the Space Regulator (OSR).

## Regulatory approval timeframes

- Protecting people and property, as well as our natural environment, is critical to the long-term sustainability of the space sector – it builds social licence with the community and demonstrates success to international partners.
  - The Agency continues to improve the regulatory system to minimise unnecessary regulatory burden.
  - Improvements include updates to the relevant legislation, new guidance materials and ongoing sector engagement and education including involving adjacent environmental and aviation regulators to streamline the process.

Contact: s22 Director Operations s22

Cleared by: Chris Hewett, GM Space Policy, s22

Min ID: QB25-000074  
Division: Australian Space Agency  
Created: 02 July 2025  
Updated: 21/07/2025 10:00AM

**QB25-000074**

- After improving the legislation in 2023, a second round of improvements was approved by the Minister for Industry and Science on 30 January 2025, including removing the three-stage application process for launch facilities and reducing launch notifications from 30 days to 20 days.

### **NASA Funding Cuts**

- The Australian Government has been monitoring the impact of US Government decisions on funding to Australian science and research. We will continue to work with the US to advance our shared national interests – as we have always done.
- It would be premature to speculate on how any changes to US research funding will impact Australia – noting the proposed budget cuts still need to be approved by congress.

### **Australian Space Agency Advisory Board**

- The Agency is undertaking the formal process to review and shortlist the high volume of applications received for the expression of interest for the Advisory Board
- I will await advice from the Agency following the conclusion of this process.

Contact: s22, Director Operations, s22

Cleared by: Chris Hewett, GM Space Policy, s22

Min ID: QB25-000074  
Division: Australian Space Agency  
Created: 02 July 2025  
Updated: 21/07/2025 10:00AM

**QB25-000080**

## ANSTO

### Issue

2025-26 Budget: supplementary funding for ANSTO's OPAL reactor shutdown

Nuclear medicine patent dispute and ANSTO's nuclear waste management

### Key Talking Points

#### 2025-26 Budget: investment in ANSTO

- The Government supports ANSTO to supply affordable nuclear medicine to Australians.
- The 2025-26 Budget provided \$24.1 million to ANSTO. This covered the cost of importing nuclear medicine during a routine maintenance shut down of the OPAL Reactor.
- The reactor is back online and producing affordable nuclear medicine.

#### Nuclear waste

- ANSTO is the custodian of Australia's nuclear capabilities and expertise, managing some of the nation's most significant scientific infrastructure.
- In delivering its mandate, ANSTO generates small amounts of low and intermediate level radioactive waste when compared to international counterparts.
- This waste is managed safely in purpose-built temporary storage facilities at ANSTO's main campus in Lucas Heights.

Contact: s22, A/Manager, ANSTO Policy and Governance Section,  
Cleared by: s22 Natalie Weddell, General Manager, Science Policy and Governance,  
s22

Min ID: QB25-000080  
Division: Science  
Created: 02 July 2025  
Updated: 7/15/2025 5:07 PM (date should stay in this format)



**QB25-000080**

- ANSTO is legally able to hold nuclear waste on a temporary basis.

### Nuclear medicine patent dispute

- I am aware of media reports about the company Novartis taking legal action against Australian suppliers of nuclear medicine.
- The Government is committed to the future of nuclear medicine in Australia, including ensuring access to and affordability of existing and emerging diagnostic and therapeutic tools.
- The Government continues to invest in and enhance ANSTO's capabilities. This investment includes constructing a new Nuclear Medicine Manufacturing Facility, which will substantially increase ANSTO's capacity for manufacturing new nuclear medicines.
- Questions on the Medical Services Advisory Committee, Medicare Benefits Schedule, or listing of Lutetium-PSMA for prostate cancer should be directed to Minister Butler.
- As the legal dispute is before the courts, it would be inappropriate for me to comment further.

**QB25-000080**

## Background

### OPAL shutdown

- Last year, ANSTO's OPAL reactor was shut down for planned maintenance between March and September 2024.
- The supplementary funding in this Budget reimburses ANSTO for the cost of importation during this shutdown.

### National Radioactive Waste Management

- Consistent with the organisation's purview, ANSTO holds low and intermediate level nuclear waste as reported in the national inventory.
- Questions on the National Radioactive Waste Management Facility are a matter for Minister King.

### Nuclear medicine patent dispute

- ANSTO is a major supplier of Lutetium, a component for nuclear medicines including Lu-PSMA which targets prostate cancer.
- There is an ongoing patent dispute between Novartis and GenesisCare. Novartis assert the 'compounded' form of Lu-PSMA produced by GenesisCare infringes patents for their Lu-PSMA product Pluvicto.
- Lu-PSMA was listed on the Medicare Benefits Schedule (MBS) from 1 July 2025. The listing does not distinguish between the compounded or Pluvicto products.
- The threat of legal action by Novartis has reportedly caused Australian hospitals to cease offering the compounded treatment, potentially interrupting treatment schedules for Australian patients.
- The next hearing for the matter in court is 31 July 2025.

Contact: s22 A/Manager, ANSTO Policy and Governance Section,  
Cleared by: s22 Natalie Weddell, General Manager, Science Policy and Governance,  
s22

Min ID: QB25-000080  
Division: Science  
Created: 02 July 2025  
Updated: 7/15/2025 5:07:00 PM

**QB25-000081**

## CSIRO

### Issue

How is the Government supporting CSIRO to deliver great research?

When will the sale of CSIRO's Ginninderra East site be finalised?

Why is CSIRO conducting research on impacts of deep-sea mining for The Metal Company?

### Key Talking Points

#### Supporting CSIRO science

- At the 2025-26 Budget, Government provided \$45 million to maintain CSIRO's world-class research capability, to support Australian industries and tackle national challenges.
- We approved upgrades to the Australian Centre for Disease Preparedness to ensure it remains a leading biosecurity research facility and continues to protect Australian livestock and precious wildlife from disease outbreaks.
- We provided \$10 million for research into gene technology and developing safe and effective tools to manage harmful invasive species.

Contact: s22, A/Manager, ANSTO Policy and Governance Section,  
Cleared by: s22 Natalie Weddell, General Manager, Science Policy and Governance,  
s22

Min ID: QB25-000081  
Division: Science  
Created: 02 July 2025  
Updated: 7/15/2025 5:05 PM (date should stay in this format)

**QB25-000081**

### Sale of Ginninderra East

- I'm aware of the proposed sale of CSIRO's Ginninderra East site. This is a commercial matter for CSIRO.
- The Government is supportive of the proposed sale, as the site could be used for affordable housing in the ACT.
- We are committed to building more homes, easing housing pressures and increasing social and affordable housing for all Australians.

### The Metals Company

- I am aware of the CSIRO-led consortium's work for The Metals Company (TMC) and the International Seabed Authority (ISA). I understand the final report, published on 3 July 2025, is available on CSIRO's website.
- CSIRO conducts a wide breadth of research with a range of collaborators.
- Any questions on CSIRO's individual research programs should be directed to CSIRO.
- Questions related to the UN Convention on Law of the Sea should be directed to the Foreign Minister.

## Background

### CSIRO deep-sea mining research

- CSIRO led a research consortium to deliver an *Integrated Ecosystem Assessment and Ecosystem Based Management Framework for Polymetallic Nodule Collection Activities* for The Metals Company Australia.
- This project was established to provide outputs to the company in relation to its interactions with the International Seabed Authority and has attracted criticism for potential 'Green Washing'.
- The research has sought to highlight any potential impacts and effects of deep-sea mining. In doing so, it supports the ongoing work of the International Seabed Authority in the management of research conducted under the United Nations Convention on the Law of the Sea.
- The methods and process that the Consortium have developed could be applied broadly to support a precautionary approach to seabed mining if activities are approved by the International Seabed Authority.

Contact: s22, A/Manager, ANSTO Policy and Governance Section,

Cleared by: s22 Natalie Weddell, General Manager, Science Policy and Governance,

**QB25-000090**

## NET ZERO ECONOMY AUTHORITY

### Issue

How is the Net Zero Economy Authority creating a better future for industrial relations, communities and workers in the Net Zero Economy?

### Key Talking Points

- Australia is undergoing an economic transition as we, and the world, reduce greenhouse gas emissions.
- The role of the Net Zero Economy Authority (the Authority) is to ensure the workers, communities and regions that currently rely on emissions-intensive industries successfully transition to new clean industries.
  - It is central to the Government's vision for a Future Made in Australia.
- The Authority is actively working in regions such as the Hunter, Latrobe, Central Queensland and Collie to drive investment in new industries, and support workers and local businesses to transition from declining industries, into new opportunities.
- This includes activities like:
  - developing new industrial land to attract new industries, including repurposing closing mine and power-station sites

Contact: s22, Director, Board and Parliamentary  
Cleared by: s22 Linda Rademakers, a/g First Assistant Secretary, Policy and Communications Division

**QB25-000090**

- helping local businesses take up opportunities to supply growth industries, like the renewable energy roll-out
  - ensuring workers directly impacted by the closure of coal and gas fired power-stations receive appropriate supports
  - regional workforce planning to help workers in declining emissions intensive industries move into growth industries
  - facilitating major new investments that can drive regional economic growth.
- The Authority is working with communities, state, territory and local governments, regional bodies, unions, industry, investors and First Nations groups.
    - It is embedding place-based insights in all its work – reflecting a deep understanding of regional priorities and challenges.
  - The Energy Industry Jobs Plan supports workers when eligible gas-fired and coal-fired power stations close.
  - The intent of the Energy Industry Jobs Plan is to ensure workers are treated with dignity ahead of a closure, giving them the time and assistance to plan and prepare for a new career or for retirement.

Contact: s22, Director, Board and Parliamentary  
Cleared by: s22 Linda Rademakers, a/g First Assistant Secretary, Policy and Communications Division

Min ID: QB25-000090  
Division: Net Zero Economy Authority (NZEa)  
Created: 02 July 2025  
Updated: 7/14/2025 10:29:00 AM

**QB25-000090**

- The Authority undertakes an assessment to determine whether employees at a closing power station, or dependent employers (including coal mines) require additional support to find new jobs after the power station closes. This assessment process is set out on the Net Zero Economy Authority's website.
- The Authority is currently undertaking assessments of Torrens Island Power Station in South Australia and Eraring Power Station in New South Wales, with the CEO's decision on whether or not apply to the fair work commission anticipated in the coming months.

**Contact:** s22, Director, Board and Parliamentary  
**Cleared by:** s22 Linda Rademakers, a/g First Assistant Secretary, Policy and Communications Division

**Min ID:** QB25-000090  
**Division:** Net Zero Economy Authority (NZEA)  
**Created:** 02 July 2025  
**Updated:** 7/14/2025 10:29:00 AM



**QB25-000090**

## Background

- The Authority's inaugural board members are:
  - Dr Iain Ross AO, Chair
  - Mr Tony Maher
  - Mr Mike Mrdak AO
  - Ms Anna Skarbek AM
  - Ms Zoe Whitton
  - Ms Michele O'Neil
  - Professor Robynne Quiggin AO
- Board members were selected based on their deep collective experience, in line with the Authority's enabling legislation.
- The 2024-25 Budget announced \$209.3 million over the forward estimates to support the work of the Authority (and \$53.3 million per year ongoing).
- On 12 June 2025, the Daily Telegraph reported on the Authority's logo.
  - The work was contracted to Folk Pty Limited, following an open tender process, at a total cost of \$180,628.80.
  - The work produced:
    - the Authority brand and brand guidelines, written style guide, typography, colours, logo, image use guidelines;
    - a range of visual assets;
    - priority EIJP products including a digital flyer, postcard and infographic to support upcoming consultation.

**Contact:** s22, Director, Board and Parliamentary  
**Cleared by:** s22 Linda Rademakers, a/g First Assistant Secretary, Policy and Communications Division

**Min ID:** QB25-000090  
**Division:** Net Zero Economy Authority (NZEa)  
**Created:** 02 July 2025  
**Updated:** 7/14/2025 10:29:00 AM